

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 528

FINAL READING

Introduced by Walz, 15.

Read first time January 19, 2021

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 38-316,
2 38-10,109, 38-2613, 38-2616, 38-3106, 72-232, 72-233, 72-234,
3 72-235, 76-2203.01, 77-2704.12, 79-202, 79-422, 79-433, 79-449,
4 79-8,133, 79-10,119, 79-1201.01, 79-1605, 79-2118, and 85-1609,
5 Reissue Revised Statutes of Nebraska, and sections 1-116, 9-812,
6 9-836.01, 13-506, 38-1813, 58-809, 77-1601.02, 77-27,119, 79-308,
7 79-309.01, 79-611, 79-759, 79-8,137.01, 79-8,137.05, 79-1003,
8 79-1007.11, 79-1035, 79-1065.02, 79-1074, 79-1075, 79-1241.03,
9 79-1337, 79-2104.02, 79-2603, 79-2605, 79-2606, 84-304, 85-505,
10 85-507, 85-1802, 85-1920, 85-2002, 85-2003, 85-2004, 85-2005,
11 85-2007, 85-2008, 85-2009, 85-2010, 85-2104, 85-2802, and 85-2803,
12 Revised Statutes Cumulative Supplement, 2020; to update academic
13 accreditation terminology in state law; to change provisions
14 relating to the distribution of lottery funds used for education and
15 to provide duties related to the receipt and use of such funds; to
16 change requirements for school district budget hearing notices; to
17 require the State Department of Education to establish and maintain
18 a web site as prescribed; to change provisions relating to school
19 lands; to change tax levy notice provisions; to eliminate certain
20 obsolete school and school district provisions and terminology; to
21 adopt certain federal provisions; to change powers and duties of the
22 State Department of Education; to change a form requirement; to

1 change provisions relating to a grant program; to change provisions
2 relating to certain income from school lands; to eliminate obsolete
3 bonded indebtedness requirements; to adopt the Alternative
4 Certification for Quality Teachers Act; to change provisions
5 relating to standard college admission tests; to redefine terms and
6 eliminate obsolete provisions under the Tax Equity and Educational
7 Opportunities Support Act; to change state aid provisions for school
8 districts and educational service units relating to boundary line
9 changes and the timing of payments as prescribed; to eliminate
10 certain county clerk and county board duties; to change provisions
11 relating to core services and technology infrastructure funds; to
12 change certain learning community coordinating council reporting
13 dates; to change certain diversity plan requirements; to change
14 requirements under the Nebraska Reading Improvement Act as
15 prescribed; to provide duties for the Auditor of Public Accounts; to
16 redefine a term relating to the Nebraska educational savings plan
17 trust; to define and redefine terms and change provisions under the
18 Community College Gap Assistance Program Act; to authorize
19 verification of eligibility by the Commissioner of Education under
20 the Access College Early Scholarship Program Act; to define a term,
21 eliminate a term, and change provisions under the Meadowlark Act; to
22 require hotline telephone numbers on student identification cards
23 for middle school, high school, and postsecondary students as
24 prescribed; to repeal a requirement relating to the residency of
25 school land lessees; to repeal a requirement for the provision of
26 student debt information to students; to repeal provisions relating
27 to distance education equipment reimbursements and learning
28 community transition aid; to harmonize provisions; to provide
29 operative dates; to repeal the original sections; to outright repeal
30 sections 72-234.01 and 79-1336, Reissue Revised Statutes of
31 Nebraska, and sections 79-10,145 and 85-9,140, Revised Statutes

- 1 Cumulative Supplement, 2020; and to declare an emergency.
- 2 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 1-116, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 1-116 Any person making initial application to take the examination
4 described in section 1-114 shall be eligible to take the examination if
5 he or she has completed at least one hundred fifty semester hours or two
6 hundred twenty-five quarter hours of postsecondary academic credit and
7 has earned a baccalaureate or higher degree from a college or university
8 accredited by an ~~a regional~~ accrediting agency recognized by the United
9 States Department of Education or a similar agency as determined to be
10 acceptable by the board. The person shall demonstrate that accounting,
11 auditing, business, and other subjects at the appropriate academic level
12 as required by the board are included within the required hours of
13 postsecondary academic credit. A person who expects to complete the
14 postsecondary academic credit and earn the degree as required by this
15 section may take test sections of the examination within one hundred
16 twenty days prior to completing the postsecondary academic credit and
17 earning the degree, but such person shall not receive any credit for such
18 test sections unless evidence satisfactory to the board showing that such
19 person has completed the postsecondary academic credit and earned the
20 degree as required by this section is received by the board within one
21 hundred fifty days following when the first test section of the
22 examination is taken. The board shall not prescribe the specific
23 curricula of colleges or universities. If the applicant is an individual,
24 the application shall include the applicant's social security number.

25 Sec. 2. Section 9-812, Revised Statutes Cumulative Supplement, 2020,
26 is amended to read:

27 9-812 (1) All money received from the operation of lottery games
28 conducted pursuant to the State Lottery Act in Nebraska shall be credited
29 to the State Lottery Operation Trust Fund, which fund is hereby created.
30 All payments of the costs of establishing and maintaining the lottery
31 games shall be made from the State Lottery Operation Cash Fund. In

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

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

23 (3) Of the money available to be transferred to the Education
24 Innovation Fund, the Nebraska Opportunity Grant Fund, the Nebraska
25 Education Improvement Fund, the Nebraska Environmental Trust Fund, the
26 Nebraska State Fair Board, and the Compulsive Gamblers Assistance Fund:

27 (a) The first five hundred thousand dollars shall be transferred to
28 the Compulsive Gamblers Assistance Fund to be used as provided in section
29 9-1006;

30 (b) Beginning July 1, 2016, forty-four and one-half percent of the
31 money remaining after the payment of prizes and operating expenses and

1 the initial transfer to the Compulsive Gamblers Assistance Fund shall be
2 transferred to the Nebraska Education Improvement Fund;

3 (c) Forty-four and one-half percent of the money remaining after the
4 payment of prizes and operating expenses and the initial transfer to the
5 Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska
6 Environmental Trust Fund to be used as provided in the Nebraska
7 Environmental Trust Act;

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

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

24 (4) The Nebraska Education Improvement Fund is created. The fund
25 shall consist of money transferred pursuant to subsection (3) of this
26 section, money transferred pursuant to section 85-1920, and any other
27 funds appropriated by the Legislature. The fund shall be allocated, after
28 actual and necessary administrative expenses, as provided in this section
29 for fiscal years 2016-17 through 2023-24 ~~2020-21~~. A portion of each
30 allocation may be retained by the agency to which the allocation is made
31 or the agency administering the fund to which the allocation is made for

1 actual and necessary expenses incurred by such agency for administration,
2 evaluation, and technical assistance related to the purposes of the
3 allocation, except that no amount of the allocation to the Nebraska
4 Opportunity Grant Fund may be used for such purposes. On or before
5 December 31, 2022 ~~2019~~, the Education Committee of the Legislature shall
6 electronically submit recommendations to the Clerk of the Legislature
7 regarding how the fund should be allocated to best advance the
8 educational priorities of the state for the five-year period beginning
9 with fiscal year 2024-25 ~~2021-22~~. For fiscal year 2016-17, an amount
10 equal to ten percent of the revenue allocated to the Education Innovation
11 Fund and to the Nebraska Opportunity Grant Fund for fiscal year 2015-16
12 shall be retained in the Nebraska Education Improvement Fund. For fiscal
13 years 2017-18 through 2023-24 ~~2020-21~~, an amount equal to ten percent of
14 the revenue received by the Nebraska Education Improvement Fund in the
15 prior fiscal year shall be retained in the fund at all times plus any
16 interest earned during the current fiscal year. For fiscal years 2016-17
17 through 2023-24 ~~2020-21~~, the remainder of the fund, ~~after payment of any~~
18 ~~learning community transition aid pursuant to section 79-10,145,~~ shall be
19 allocated as follows:

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

23 (b) Seventeen percent of the allocated funds to the Department of
24 Education Innovative Grant Fund to be used ~~(i)~~ for competitive innovation
25 grants pursuant to section 79-1054 ~~and (ii) to carry out the purposes of~~
26 ~~section 79-759;~~

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

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

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

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

6 (5)(a) On or before September 20, 2022, and on or before each
7 September 20 thereafter, (i) any department or agency receiving a
8 transfer or acting as the administrator for a fund receiving a transfer
9 pursuant to subsection (4) of this section, (ii) any recipient or
10 subsequent recipient of money from any such fund, and (iii) any service
11 contractor responsible for managing any portion of any such fund or any
12 money disbursed from any such fund on behalf of any entity shall prepare
13 and submit an annual report to the Auditor of Public Accounts in a manner
14 prescribed by the auditor for the immediately preceding July 1 through
15 June 30 fiscal year detailing information regarding the use of such fund
16 or such money.

17 (b) The Auditor of Public Accounts shall annually compile a summary
18 of the annual reports received pursuant to subdivision (5)(a) of this
19 section, any audits related to transfers pursuant to subsection (4) of
20 this section conducted by the Auditor of Public Accounts, and any
21 findings or recommendations related to such transfers into a consolidated
22 annual report and shall submit such consolidated annual report
23 electronically to the Legislature on or before January 1, 2023, and on or
24 before each January 1 thereafter.

25 (c) For purposes of this subsection, recipient, subsequent
26 recipient, or service contractor means a nonprofit entity that expends
27 funds transferred pursuant to subsection (4) of this section to carry out
28 a state program or function, but does not include an individual who is a
29 direct beneficiary of such a program or function.

30 (6) ~~(5)~~ Any money in the State Lottery Operation Trust Fund, the
31 State Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, or

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

5 (7) ~~(6)~~ Unclaimed prize money on a winning lottery ticket shall be
6 retained for a period of time prescribed by rules and regulations. If no
7 claim is made within such period, the prize money shall be used at the
8 discretion of the Tax Commissioner for any of the purposes prescribed in
9 this section.

10 Sec. 3. Section 9-836.01, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

12 9-836.01 The division may endorse and sell for profit tangible
13 personal property related to the lottery. Any money received as profit by
14 the division pursuant to this section shall be remitted to the State
15 Treasurer for credit to the State Lottery Operation Trust Fund to be
16 distributed to ~~the Education Innovation Fund~~, the Nebraska Opportunity
17 Grant Fund, the Nebraska Education Improvement Fund, the Nebraska
18 Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund
19 pursuant to the requirements of section 9-812.

20 Sec. 4. Section 13-506, Revised Statutes Cumulative Supplement,
21 2020, is amended to read:

22 13-506 (1) Each governing body shall each year or biennial period
23 conduct a public hearing on its proposed budget statement. Such hearing
24 shall be held separately from any regularly scheduled meeting of the
25 governing body and shall not be limited by time. Notice of place and time
26 of such hearing, together with a summary of the proposed budget
27 statement, shall be published at least four calendar days prior to the
28 date set for hearing in a newspaper of general circulation within the
29 governing body's jurisdiction. For purposes of such notice, the four
30 calendar days shall include the day of publication but not the day of
31 hearing. When the total operating budget, not including reserves, does

1 not exceed ten thousand dollars per year or twenty thousand dollars per
2 biennial period, the proposed budget summary may be posted at the
3 governing body's principal headquarters. At such hearing, the governing
4 body shall make at least three copies of the proposed budget statement
5 available to the public and shall make a presentation outlining key
6 provisions of the proposed budget statement, including, but not limited
7 to, a comparison with the prior year's budget. Any member of the public
8 desiring to speak on the proposed budget statement shall be allowed to
9 address the governing body at the hearing and shall be given a reasonable
10 amount of time to do so. After such hearing, the proposed budget
11 statement shall be adopted, or amended and adopted as amended, and a
12 written record shall be kept of such hearing. The amount to be received
13 from personal and real property taxation shall be certified to the
14 levying board after the proposed budget statement is adopted or is
15 amended and adopted as amended. If the levying board represents more than
16 one county, a member or a representative of the governing board shall,
17 upon the written request of any represented county, appear and present
18 its budget at the hearing of the requesting county. The certification of
19 the amount to be received from personal and real property taxation shall
20 specify separately (a) the amount to be applied to the payment of
21 principal or interest on bonds issued by the governing body and (b) the
22 amount to be received for all other purposes. If the adopted budget
23 statement reflects a change from that shown in the published proposed
24 budget statement, a summary of such changes shall be published within
25 twenty calendar days after its adoption in the manner provided in this
26 section, but without provision for hearing, setting forth the items
27 changed and the reasons for such changes.

28 (2) Upon approval by the governing body, the budget shall be filed
29 with the auditor. The auditor may review the budget for errors in
30 mathematics, improper accounting, and noncompliance with the Nebraska
31 Budget Act or sections 13-518 to 13-522. If the auditor detects such

1 errors, he or she shall immediately notify the governing body of such
2 errors. The governing body shall correct any such error as provided in
3 section 13-511. Warrants for the payment of expenditures provided in the
4 budget adopted under this section shall be valid notwithstanding any
5 errors or noncompliance for which the auditor has notified the governing
6 body.

7 (3) Each school district shall include in the notice required
8 pursuant to subsection (1) of this section the following statement: For
9 more information on statewide receipts and expenditures, and to compare
10 cost per pupil and performance to other school districts, go to: [Insert
11 Internet address for the web site established pursuant to section 5 of
12 this act]. In addition, each school district shall electronically publish
13 such statement on the school district web site. Such electronic
14 publication shall be prominently displayed with an active link to the
15 Internet address for the web site established pursuant to section 5 of
16 this act to allow the public access to the information.

17 Sec. 5. The State Department of Education shall establish and
18 maintain a web site that allows the public to access statewide and school
19 district data regarding, at a minimum: Total receipts and receipts
20 classified by source as local, county, state, federal, or other; total
21 expenditures and expenditures classified by functions as determined by
22 the department; cost per pupil as determined pursuant to section 79-598;
23 and performance as reported pursuant to section 79-760.06.

24 Sec. 6. Section 38-316, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 38-316 (1) To be licensed to practice as an alcohol and drug
27 counselor, an applicant shall meet the requirements for licensure as a
28 provisional alcohol and drug counselor under section 38-314, shall
29 receive a passing score on an examination approved by the board, and
30 shall have six thousand hours of supervised clinical work experience
31 providing alcohol and drug counseling services to alcohol and other drug

1 clients for remuneration. The experience shall be polydrug counseling
2 experience.

3 (2) The experience shall include carrying a client caseload as the
4 primary alcohol and drug counselor performing the core functions of
5 assessment, treatment planning, counseling, case management, referral,
6 reports and record keeping, and consultation with other professionals for
7 those clients. The experience shall also include responsibility for
8 performance of the five remaining core functions although these core
9 functions need not be performed by the applicant with each client in
10 their caseload.

11 (3) Experience that shall not count towards licensure shall include,
12 but not be limited to:

13 (a) Providing services to individuals who do not have a diagnosis of
14 alcohol and drug abuse or dependence such as prevention, intervention,
15 and codependency services or other mental health disorder counseling
16 services, except that this shall not exclude counseling services provided
17 to a client's significant others when provided in the context of
18 treatment for the diagnosed alcohol or drug client; and

19 (b) Providing services when the experience does not include primary
20 case responsibility for alcohol or drug treatment or does not include
21 responsibility for the performance of all of the core functions.

22 (4) The maximum number of hours of experience that may be accrued
23 are forty hours per week or two thousand hours per year.

24 (5)(a) A postsecondary educational degree may be substituted for
25 part of the supervised clinical work experience. The degree shall be from
26 ~~an a regionally~~ accredited postsecondary educational institution or the
27 educational program ~~shall be accredited by a nationally recognized~~
28 ~~accreditation agency.~~

29 (b) An associate's degree in addictions or chemical dependency may
30 be substituted for one thousand hours of supervised clinical work
31 experience.

1 (c) A bachelor's degree with a major in counseling, addictions,
2 social work, sociology, or psychology may be substituted for two thousand
3 hours of supervised clinical work experience.

4 (d) A master's degree or higher in counseling, addictions, social
5 work, sociology, or psychology may be substituted for four thousand hours
6 of supervised clinical work experience.

7 (e) A substitution shall not be made for more than one degree.

8 Sec. 7. Section 38-10,109, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 38-10,109 (1) The procedure for renewing a school license shall be
11 in accordance with section 38-143, except that in addition to all other
12 requirements, the school of cosmetology or school of esthetics shall
13 provide evidence of minimal property damage, bodily injury, and liability
14 insurance coverage and shall receive a satisfactory rating on an
15 accreditation inspection conducted by the department within the six
16 months immediately prior to the date of license renewal.

17 (2) Any school of cosmetology or school of esthetics which has
18 current accreditation from an ~~a national~~ accrediting organization
19 approved by the board shall be considered to satisfy the accreditation
20 requirements outlined in this section, except that successful completion
21 of an operation inspection shall be required. Each school of cosmetology
22 or school of esthetics, whether or not it is ~~nationally~~ accredited, shall
23 satisfy all curriculum and sanitation requirements outlined in the
24 Cosmetology, Electrology, Esthetics, Nail Technology, and Body Art
25 Practice Act to maintain its license.

26 (3) Any school not able to meet the requirements for license renewal
27 shall have its license placed on inactive status until all deficiencies
28 have been corrected, and the school shall not operate in any manner
29 during the time its license is inactive. If the deficiencies are not
30 corrected within six months of the date of license renewal, the license
31 may be revoked unless the department approves an extension of the time

1 limit. The license of a school that has been revoked or expired for any
2 reason shall not be reinstated. An original application for licensure
3 shall be submitted and approved before such school may reopen.

4 Sec. 8. Section 38-1813, Revised Statutes Cumulative Supplement,
5 2020, is amended to read:

6 38-1813 (1) A person shall be qualified to be a licensed medical
7 nutrition therapist if such person furnishes evidence that he or she:

8 (a) Has met the requirements for and is a registered dietitian by
9 the American Dietetic Association or an equivalent entity recognized by
10 the board;

11 (b)(i) Has satisfactorily passed an examination approved by the
12 board;

13 (ii) Has received a baccalaureate degree from an accredited college
14 or university with a major course of study in human nutrition, food and
15 nutrition, dietetics, or an equivalent major course of study approved by
16 the board; and

17 (iii) Has satisfactorily completed a program of supervised clinical
18 experience approved by the department. Such clinical experience shall
19 consist of not less than nine hundred hours of a planned continuous
20 experience in human nutrition, food and nutrition, or dietetics under the
21 supervision of an individual meeting the qualifications of this section;
22 or

23 (c)(i) Has satisfactorily passed an examination approved by the
24 board; and

25 (ii)(A) Has received a master's or doctorate degree from an
26 accredited college or university in human nutrition, nutrition education,
27 food and nutrition, or public health nutrition or in an equivalent major
28 course of study approved by the board; or

29 (B) Has received a master's or doctorate degree from an accredited
30 college or university which includes a major course of study in clinical
31 nutrition. Such course of study shall consist of not less than a combined

1 two hundred hours of biochemistry and physiology and not less than
2 seventy-five hours in human nutrition.

3 (2) For purposes of this section, accredited college or university
4 means an institution currently listed with the United States Secretary of
5 Education as accredited. Applicants who have obtained their education
6 outside of the United States and its territories shall have their
7 academic degrees validated as equivalent to a baccalaureate or master's
8 degree conferred by a United States ~~regionally~~ accredited college or
9 university.

10 (3)(a) The practice of medical nutrition therapy shall be performed
11 under the consultation of a physician licensed pursuant to section
12 38-2026 or sections 38-2029 to 38-2033.

13 (b) A licensed medical nutrition therapist may order patient diets,
14 including therapeutic diets, in accordance with this subsection.

15 Sec. 9. Section 38-2613, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 38-2613 (1) An optometrist licensed in this state may use topical
18 ocular pharmaceutical agents for diagnostic purposes authorized under
19 subdivision (1)(b) of section 38-2605, if such person is certified by the
20 department, with the recommendation of the board, as qualified to use
21 topical ocular pharmaceutical agents for diagnostic purposes.

22 (2) Such certification shall require (a) satisfactory completion of
23 a pharmacology course at an institution accredited by an ~~a regional or~~
24 ~~professional~~ accrediting organization which is recognized by the United
25 States Department of Education and approved by the board and passage of
26 an examination approved by the board or (b) evidence provided by the
27 optometrist of certification in another state for use of diagnostic
28 pharmaceutical agents which is deemed by the board as satisfactory
29 validation of such qualifications.

30 Sec. 10. Section 38-2616, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 38-2616 No school of optometry shall be approved by the board as an
2 accredited school unless the school is accredited by an ~~a regional~~ or
3 ~~professional~~ accrediting organization which is recognized by the United
4 States Department of Education.

5 Sec. 11. Section 38-3106, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 38-3106 Institution of higher education means a university,
8 professional school, or other institution of higher learning that:

9 (1) In the United States, is ~~regionally~~ accredited by an ~~a regional~~
10 ~~or professional~~ accrediting organization recognized by the United States
11 Department of Education;

12 (2) In Canada, holds a membership in the Association of Universities
13 and Colleges of Canada; or

14 (3) In other countries, is accredited by the respective official
15 organization having such authority.

16 Sec. 12. Section 58-809, Revised Statutes Cumulative Supplement,
17 2020, is amended to read:

18 58-809 Private institution of higher education means a not-for-
19 profit educational institution located within this state which is not
20 owned or controlled by the state or any political subdivision, agency,
21 instrumentality, district, or municipality thereof, which is authorized
22 by law to provide a program of education beyond the high school level,
23 and which:

24 (1) Admits as regular students only individuals having a certificate
25 of graduation from a high school or the recognized equivalent of such a
26 certificate;

27 (2) Provides an educational program for which it awards a bachelor's
28 degree; provides an educational program, admission into which is
29 conditioned upon the prior attainment of a bachelor's degree or its
30 equivalent, for which it awards a postgraduate degree; provides a program
31 of not less than two years in length which is acceptable for full credit

1 toward a bachelor's degree; or offers a two-year program in engineering,
2 mathematics, or the physical or biological sciences which is designed to
3 prepare the student to work as a technician and at a semiprofessional
4 level in engineering, research, medicine, or other technological fields
5 which require the understanding and application of basic engineering,
6 scientific, or mathematical principles or knowledge;

7 (3) Is accredited by an ~~a regionally recognized~~ accrediting agency
8 or association or, if not so accredited, is an institution whose credits
9 are accepted, on transfer, by not less than three institutions which are
10 so accredited, for credit on the same basis as if transferred from an
11 institution so accredited; and

12 (4) Has a student admissions policy that does not violate any other
13 Nebraska or federal law against discrimination on the basis of race,
14 color, creed, national origin, ancestry, age, gender, or handicap.

15 Sec. 13. Section 72-232, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 72-232 The Board of Educational Lands and Funds shall have authority
18 to adopt such rules and regulations as it shall deem necessary in the
19 leasing of school lands and to prescribe such terms and conditions of the
20 lease, not inconsistent with sections 72-205, 72-232 to 72-235, 72-240.02
21 to 72-240.05, and 72-242, as it shall deem necessary to protect the
22 interests of the state. The board shall adopt and enforce a soil
23 conservation program. Failure of the lessee to utilize the land for the
24 purpose for which the land was leased or to observe and carry out soil
25 conservation requirements as provided in the rules and regulations of the
26 board shall be cause for cancellation of the lease. ~~No individual,~~
27 ~~partnership, limited liability company, or corporation shall be entitled~~
28 ~~to hold under lease a total of more than six hundred forty acres of state~~
29 ~~educational lands, whether acquired by direct lease or by assignment.~~
30 ~~Such limitation shall not apply when the land to be leased is bounded~~
31 ~~entirely on one side thereof by lands owned or operated by such applicant~~

1 ~~or assignee.~~

2 Sec. 14. Section 72-233, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 72-233 Applications to lease any school lands shall be made to the
5 Board of Educational Lands and Funds. Each such application shall contain
6 an affidavit that the applicant desires to lease and operate such land
7 for the applicant's own use and benefit and that the applicant will not
8 sublease or otherwise dispose of the same without the written approval of
9 the board and will commit no waste or damage on the land nor permit
10 others to do so. The Board of Educational Lands and Funds may, at least
11 once in each year, designate a day and hour for offering, in a public
12 manner ~~at the office of the county treasurer~~ in the respective counties,
13 lease contracts on all the educational lands in each respective county
14 which may be subject to lease at the time of such offering. The offering
15 shall be announced in a public manner by publishing a notice thereof
16 three weeks preceding the auction in one or more of the legal newspapers
17 published or of general circulation in the county in which the unleased
18 land is located. If the board is unable to have a representative attend
19 the offering, the county treasurer may, upon the direction of the board,
20 act for it. Adjournments may be taken from day to day until all of the
21 lands have been offered. No lease shall be sublet or assigned without the
22 written approval of the board.

23 Sec. 15. Section 72-234, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 72-234 The board shall, if the foregoing proceedings appear to be
26 regular, issue to the applicant a lease on the land. Each lease shall
27 contain a covenant or provision (1) that the Board of Educational Lands
28 and Funds may, whenever such board deems it to be for the best interest
29 of the state, adjust the rental of such lands; (2) that the lessee will
30 not sublease or otherwise dispose of such lands without the written
31 consent of the board and will commit no waste or damage on the land nor

1 permit others to do so; (3) that the lessee will observe and carry out
2 soil conservation requirements according to the rules and regulations of
3 the board; (4) that the lessee will pay for the use of such lands the
4 fair market rental as determined by the board; (5) that, upon a failure
5 to pay any rental for a period of sixty days ~~six months~~ from the time the
6 payment becomes due or upon failure to perform any of the covenants of
7 the lease, the lease may be forfeited and fully set aside, as provided
8 for in sections 72-235 to 72-239; (6) that the lessee will promptly pay
9 the rental semiannually in advance; (7) that in the event the lessee
10 shall fail to pay rental in advance by the due date, interest shall be
11 assessed at an annual interest rate of nine percent until such time as
12 the rent is paid; and (8) that the premises will be surrendered at the
13 expiration of the lease, unless renewed, or upon violation of any of the
14 terms of the lease. Leases shall be for periods of five to twelve years
15 less the period intervening between the date of the execution of the
16 lease and December 31 of the previous year. The board may offer a lease
17 for a period of less than five years if a lease failed to generate
18 interest at an auction and if the board agrees that reducing the minimum
19 lease term will attract a bid or bids for such a lease. When two or more
20 contiguous tracts are under separate lease with different expiration
21 dates, the board may, if it is deemed to be in the best interest of the
22 state, offer leases for less than twelve years on tracts having the
23 earlier lease expiration date, to coincide with the last expiring lease,
24 in order that all contiguous lands eventually may be offered under one
25 lease.

26 Sec. 16. Section 72-235, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 72-235 If any lessee of educational lands fails to perform any of
29 the covenants of the lease or is in default of semiannual rental due the
30 state for a period of sixty days ~~six months~~, the Board of Educational
31 Lands and Funds may forfeit the lease of such person. If the lessee is in

1 default in the payment of rental, the board may cause notice to be given
2 such delinquent lessee in accordance with section 72-236 that, if such
3 delinquency is not paid within thirty days from the date of service of
4 such notice by either registered or certified mail or the date of the
5 first publication of such notice, his or her lease will be declared
6 forfeited. If the amounts due are not paid within such time, the board
7 may declare the lease forfeited and the land described therein shall
8 revert to the state. Before a forfeiture of a lease shall be declared for
9 a failure to perform the covenants of the lease other than the payment of
10 rentals, the board shall give notice of such proposed forfeiture to such
11 lessee, or to his or her personal representative or next of kin if he or
12 she is dead, by either registered or certified mail, setting forth a time
13 such a lessee, or his or her personal representative or next of kin, may
14 show cause and have a hearing as to whether or not such lease shall be
15 forfeited. The order of forfeiture shall be entered upon the records of
16 the board. The board is required to serve such notice of delinquency and
17 proceed with the forfeiture, as stated in such notice, at least once in
18 each year. The provisions of this section and sections 72-236 to 72-239
19 shall apply to all lands heretofore or hereinafter leased as educational
20 lands of this state.

21 Sec. 17. Section 76-2203.01, Reissue Revised Statutes of Nebraska,
22 is amended to read:

23 76-2203.01 Accredited degree-awarding community college, college, or
24 university means an institution that is approved or accredited by an a
25 ~~regional or national~~ accreditation association or ~~an~~ agency recognized by
26 the United States Secretary of Education.

27 Sec. 18. Section 77-1601.02, Revised Statutes Cumulative Supplement,
28 2020, is amended to read:

29 77-1601.02 (1) If the annual assessment of property would result in
30 an increase in the total property taxes levied by a county, municipality,
31 school district, learning community, sanitary and improvement district,

1 natural resources district, educational service unit, or community
2 college, as determined using the previous year's rate of levy, such
3 political subdivision's property tax request for the current year shall
4 be no more than its property tax request in the prior year, and the
5 political subdivision's rate of levy for the current year shall be
6 decreased accordingly when such rate is set by the county board of
7 equalization pursuant to section 77-1601. The governing body of the
8 political subdivision shall pass a resolution or ordinance to set the
9 amount of its property tax request after holding the public hearing
10 required in subsection (3) of this section. If the governing body of a
11 political subdivision seeks to set its property tax request at an amount
12 that exceeds its property tax request in the prior year, it may do so
13 after holding the public hearing required in subsection (3) of this
14 section and by passing a resolution or ordinance that complies with
15 subsection (4) of this section.

16 (2) If the annual assessment of property would result in no change
17 or a decrease in the total property taxes levied by a county,
18 municipality, school district, learning community, sanitary and
19 improvement district, natural resources district, educational service
20 unit, or community college, as determined using the previous year's rate
21 of levy, such political subdivision's property tax request for the
22 current year shall be no more than its property tax request in the prior
23 year, and the political subdivision's rate of levy for the current year
24 shall be adjusted accordingly when such rate is set by the county board
25 of equalization pursuant to section 77-1601. The governing body of the
26 political subdivision shall pass a resolution or ordinance to set the
27 amount of its property tax request after holding the public hearing
28 required in subsection (3) of this section. If the governing body of a
29 political subdivision seeks to set its property tax request at an amount
30 that exceeds its property tax request in the prior year, it may do so
31 after holding the public hearing required in subsection (3) of this

1 section and by passing a resolution or ordinance that complies with
2 subsection (4) of this section.

3 (3) The resolution or ordinance required under this section shall
4 only be passed after a special public hearing called for such purpose is
5 held and after notice is published in a newspaper of general circulation
6 in the area of the political subdivision at least four calendar days
7 prior to the hearing. For purposes of such notice, the four calendar days
8 shall include the day of publication but not the day of hearing. If the
9 political subdivision's total operating budget, not including reserves,
10 does not exceed ten thousand dollars per year or twenty thousand dollars
11 per biennial period, the notice may be posted at the governing body's
12 principal headquarters. The hearing notice shall contain the following
13 information: The certified taxable valuation under section 13-509 for the
14 prior year, the certified taxable valuation under section 13-509 for the
15 current year, and the percentage increase or decrease in such valuations
16 from the prior year to the current year; 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; the
20 proposed dollar amount of the tax request for the current year and the
21 property tax rate that will be necessary to fund that tax request; the
22 percentage increase or decrease in the property tax rate from the prior
23 year to the current year; and the percentage increase or decrease in the
24 total operating budget from the prior year to the current year.

25 (4) Any resolution or ordinance setting a political subdivision's
26 property tax request at an amount that exceeds the political
27 subdivision's property tax request in the prior year shall include, but
28 not be limited to, the following information:

- 29 (a) The name of the political subdivision;
30 (b) The amount of the property tax request;
31 (c) The following statements:

1 (i) The total assessed value of property differs from last year's
2 total assessed value by percent;

3 (ii) The tax rate which would levy the same amount of property taxes
4 as last year, when multiplied by the new total assessed value of
5 property, would be \$..... per \$100 of assessed value;

6 (iii) The (name of political subdivision) proposes to adopt a
7 property tax request that will cause its tax rate to be \$..... per \$100
8 of assessed value; and

9 (iv) Based on the proposed property tax request and changes in other
10 revenue, the total operating budget of (name of political subdivision)
11 will (increase or decrease) ~~exceed~~ last year's budget by percent;
12 and

13 (d) The record vote of the governing body in passing such resolution
14 or ordinance.

15 (5) Any resolution or ordinance setting a property tax request under
16 this section shall be certified and forwarded to the county clerk on or
17 before October 13 of the year for which the tax request is to apply.

18 (6) Any levy which is not in compliance with this section and
19 section 77-1601 shall be construed as an unauthorized levy under section
20 77-1606.

21 Sec. 19. Section 77-2704.12, Reissue Revised Statutes of Nebraska,
22 is amended to read:

23 77-2704.12 (1) Sales and use taxes shall not be imposed on the gross
24 receipts from the sale, lease, or rental of and the storage, use, or
25 other consumption in this state of purchases by (a) any nonprofit
26 organization created exclusively for religious purposes, (b) any
27 nonprofit organization providing services exclusively to the blind, (c)
28 any nonprofit private educational institution established under sections
29 79-1601 to 79-1607, (d) any ~~regionally or nationally~~ accredited,
30 nonprofit, privately controlled college or university with its primary
31 campus physically located in Nebraska, (e) any nonprofit (i) hospital,

1 (ii) health clinic when one or more hospitals or the parent corporations
2 of the hospitals own or control the health clinic for the purpose of
3 reducing the cost of health services or when the health clinic receives
4 federal funds through the United States Public Health Service for the
5 purpose of serving populations that are medically underserved, (iii)
6 skilled nursing facility, (iv) intermediate care facility, (v) assisted-
7 living facility, (vi) intermediate care facility for persons with
8 developmental disabilities, (vii) nursing facility, (viii) home health
9 agency, (ix) hospice or hospice service, (x) respite care service, (xi)
10 mental health substance use treatment center licensed under the Health
11 Care Facility Licensure Act, or (xii) center for independent living as
12 defined in 29 U.S.C. 796a, (f) any nonprofit licensed residential child-
13 caring agency, (g) any nonprofit licensed child-placing agency, or (h)
14 any nonprofit organization certified by the Department of Health and
15 Human Services to provide community-based services for persons with
16 developmental disabilities.

17 (2) Any organization listed in subsection (1) of this section shall
18 apply for an exemption on forms provided by the Tax Commissioner. The
19 application shall be approved and a numbered certificate of exemption
20 received by the applicant organization in order to be exempt from the
21 sales and use tax.

22 (3) The appointment of purchasing agents shall be recognized for the
23 purpose of altering the status of the construction contractor as the
24 ultimate consumer of building materials which are physically annexed to
25 the structure and which subsequently belong to the owner of the
26 organization or institution. The appointment of purchasing agents shall
27 be in writing and occur prior to having any building materials annexed to
28 real estate in the construction, improvement, or repair. The contractor
29 who has been appointed as a purchasing agent may apply for a refund of or
30 use as a credit against a future use tax liability the tax paid on
31 inventory items annexed to real estate in the construction, improvement,

1 or repair of a project for a licensed not-for-profit institution.

2 (4) Any organization listed in subsection (1) of this section which
3 enters into a contract of construction, improvement, or repair upon
4 property annexed to real estate without first issuing a purchasing agent
5 authorization to a contractor or repairperson prior to the building
6 materials being annexed to real estate in the project may apply to the
7 Tax Commissioner for a refund of any sales and use tax paid by the
8 contractor or repairperson on the building materials physically annexed
9 to real estate in the construction, improvement, or repair.

10 (5) Any person purchasing, storing, using, or otherwise consuming
11 building materials in the performance of any construction, improvement,
12 or repair by or for any institution enumerated in subsection (1) of this
13 section which is licensed upon completion although not licensed at the
14 time of construction or improvement, which building materials are annexed
15 to real estate and which subsequently belong to the owner of the
16 institution, shall pay any applicable sales or use tax thereon. Upon
17 becoming licensed and receiving a numbered certificate of exemption, the
18 institution organized not for profit shall be entitled to a refund of the
19 amount of taxes so paid in the performance of such construction,
20 improvement, or repair and shall submit whatever evidence is required by
21 the Tax Commissioner sufficient to establish the total sales and use tax
22 paid upon the building materials physically annexed to real estate in the
23 construction, improvement, or repair.

24 Sec. 20. Section 77-27,119, Revised Statutes Cumulative Supplement,
25 2020, is amended to read:

26 77-27,119 (1) The Tax Commissioner shall administer and enforce the
27 income tax imposed by sections 77-2714 to 77-27,135, and he or she is
28 authorized to conduct hearings, to adopt and promulgate such rules and
29 regulations, and to require such facts and information to be reported as
30 he or she may deem necessary to enforce the income tax provisions of such
31 sections, except that such rules, regulations, and reports shall not be

1 inconsistent with the laws of this state or the laws of the United
2 States. The Tax Commissioner may for enforcement and administrative
3 purposes divide the state into a reasonable number of districts in which
4 branch offices may be maintained.

5 (2)(a) The Tax Commissioner may prescribe the form and contents of
6 any return or other document required to be filed under the income tax
7 provisions. Such return or other document shall be compatible as to form
8 and content with the return or document required by the laws of the
9 United States. The form shall have a place where the taxpayer shall
10 designate the ~~high~~ school district in which he or she lives and the
11 county in which the ~~high~~ school district is headquartered. The Tax
12 Commissioner shall adopt and promulgate such rules and regulations as may
13 be necessary to insure compliance with this requirement.

14 (b) The State Department of Education, with the assistance and
15 cooperation of the Department of Revenue, shall develop a uniform system
16 for numbering all school districts in the state. Such system shall be
17 consistent with the data processing needs of the Department of Revenue
18 and shall be used for the school district identification required by
19 subdivision (a) of this subsection.

20 (c) The proper filing of an income tax return shall consist of the
21 submission of such form as prescribed by the Tax Commissioner or an exact
22 facsimile thereof with sufficient information provided by the taxpayer on
23 the face of the form from which to compute the actual tax liability. Each
24 taxpayer shall include such taxpayer's correct social security number or
25 state identification number and the school district identification number
26 of the school district in which the taxpayer resides on the face of the
27 form. A filing is deemed to occur when the required information is
28 provided.

29 (3) The Tax Commissioner, for the purpose of ascertaining the
30 correctness of any return or other document required to be filed under
31 the income tax provisions, for the purpose of determining corporate

1 income, individual income, and withholding tax due, or for the purpose of
2 making an estimate of taxable income of any person, shall have the power
3 to examine or to cause to have examined, by any agent or representative
4 designated by him or her for that purpose, any books, papers, records, or
5 memoranda bearing upon such matters and may by summons require the
6 attendance of the person responsible for rendering such return or other
7 document or remitting any tax, or any officer or employee of such person,
8 or the attendance of any other person having knowledge in the premises,
9 and may take testimony and require proof material for his or her
10 information, with power to administer oaths or affirmations to such
11 person or persons.

12 (4) The time and place of examination pursuant to this section shall
13 be such time and place as may be fixed by the Tax Commissioner and as are
14 reasonable under the circumstances. In the case of a summons, the date
15 fixed for appearance before the Tax Commissioner shall not be less than
16 twenty days from the time of service of the summons.

17 (5) No taxpayer shall be subjected to unreasonable or unnecessary
18 examinations or investigations.

19 (6) Except in accordance with proper judicial order or as otherwise
20 provided by law, it shall be unlawful for the Tax Commissioner, any
21 officer or employee of the Tax Commissioner, any person engaged or
22 retained by the Tax Commissioner on an independent contract basis, any
23 person who pursuant to this section is permitted to inspect any report or
24 return or to whom a copy, an abstract, or a portion of any report or
25 return is furnished, any employee of the State Treasurer or the
26 Department of Administrative Services, or any other person to divulge,
27 make known, or use in any manner the amount of income or any particulars
28 set forth or disclosed in any report or return required except for the
29 purpose of enforcing sections 77-2714 to 77-27,135. The officers charged
30 with the custody of such reports and returns shall not be required to
31 produce any of them or evidence of anything contained in them in any

1 action or proceeding in any court, except on behalf of the Tax
2 Commissioner in an action or proceeding under the provisions of the tax
3 law to which he or she is a party or on behalf of any party to any action
4 or proceeding under such sections when the reports or facts shown thereby
5 are directly involved in such action or proceeding, in either of which
6 events the court may require the production of, and may admit in
7 evidence, so much of such reports or of the facts shown thereby as are
8 pertinent to the action or proceeding and no more. Nothing in this
9 section shall be construed (a) to prohibit the delivery to a taxpayer,
10 his or her duly authorized representative, or his or her successors,
11 receivers, trustees, personal representatives, administrators, assignees,
12 or guarantors, if directly interested, of a certified copy of any return
13 or report in connection with his or her tax, (b) to prohibit the
14 publication of statistics so classified as to prevent the identification
15 of particular reports or returns and the items thereof, (c) to prohibit
16 the inspection by the Attorney General, other legal representatives of
17 the state, or a county attorney of the report or return of any taxpayer
18 who brings an action to review the tax based thereon, against whom an
19 action or proceeding for collection of tax has been instituted, or
20 against whom an action, proceeding, or prosecution for failure to comply
21 with the Nebraska Revenue Act of 1967 is being considered or has been
22 commenced, (d) to prohibit furnishing to the Nebraska Workers'
23 Compensation Court the names, addresses, and identification numbers of
24 employers, and such information shall be furnished on request of the
25 court, (e) to prohibit the disclosure of information and records to a
26 collection agency contracting with the Tax Commissioner pursuant to
27 sections 77-377.01 to 77-377.04, (f) to prohibit the disclosure of
28 information pursuant to section 77-27,195, 77-4110, 77-5731, 77-6521,
29 77-6837, or 77-6839, (g) to prohibit the disclosure to the Public
30 Employees Retirement Board of the addresses of individuals who are
31 members of the retirement systems administered by the board, and such

1 information shall be furnished to the board solely for purposes of its
2 administration of the retirement systems upon written request, which
3 request shall include the name and social security number of each
4 individual for whom an address is requested, (h) to prohibit the
5 disclosure of information to the Department of Labor necessary for the
6 administration of the Employment Security Law, the Contractor
7 Registration Act, or the Employee Classification Act, (i) to prohibit the
8 disclosure to the Department of Motor Vehicles of tax return information
9 pertaining to individuals, corporations, and businesses determined by the
10 Department of Motor Vehicles to be delinquent in the payment of amounts
11 due under agreements pursuant to the International Fuel Tax Agreement
12 Act, and such disclosure shall be strictly limited to information
13 necessary for the administration of the act, (j) to prohibit the
14 disclosure under section 42-358.08, 43-512.06, or 43-3327 to any court-
15 appointed individuals, the county attorney, any authorized attorney, or
16 the Department of Health and Human Services of an absent parent's
17 address, social security number, amount of income, health insurance
18 information, and employer's name and address for the exclusive purpose of
19 establishing and collecting child, spousal, or medical support, (k) to
20 prohibit the disclosure of information to the Department of Insurance,
21 the Nebraska State Historical Society, or the State Historic Preservation
22 Officer as necessary to carry out the Department of Revenue's
23 responsibilities under the Nebraska Job Creation and Mainstreet
24 Revitalization Act, or (l) to prohibit the disclosure to the Department
25 of Insurance of information pertaining to authorization for, and use of,
26 tax credits under the New Markets Job Growth Investment Act. Information
27 so obtained shall be used for no other purpose. Any person who violates
28 this subsection shall be guilty of a felony and shall upon conviction
29 thereof be fined not less than one hundred dollars nor more than five
30 hundred dollars, or be imprisoned not more than five years, or be both so
31 fined and imprisoned, in the discretion of the court and shall be

1 assessed the costs of prosecution. If the offender is an officer or
2 employee of the state, he or she shall be dismissed from office and be
3 ineligible to hold any public office in this state for a period of two
4 years thereafter.

5 (7) Reports and returns required to be filed under income tax
6 provisions of sections 77-2714 to 77-27,135 shall be preserved until the
7 Tax Commissioner orders them to be destroyed.

8 (8) Notwithstanding the provisions of subsection (6) of this
9 section, the Tax Commissioner may permit the Secretary of the Treasury of
10 the United States or his or her delegates or the proper officer of any
11 state imposing an income tax, or the authorized representative of either
12 such officer, to inspect the income tax returns of any taxpayer or may
13 furnish to such officer or his or her authorized representative an
14 abstract of the return of income of any taxpayer or supply him or her
15 with information concerning an item of income contained in any return or
16 disclosed by the report of any investigation of the income or return of
17 income of any taxpayer, but such permission shall be granted only if the
18 statutes of the United States or of such other state, as the case may be,
19 grant substantially similar privileges to the Tax Commissioner of this
20 state as the officer charged with the administration of the income tax
21 imposed by sections 77-2714 to 77-27,135.

22 (9) Notwithstanding the provisions of subsection (6) of this
23 section, the Tax Commissioner may permit the Postal Inspector of the
24 United States Postal Service or his or her delegates to inspect the
25 reports or returns of any person filed pursuant to the Nebraska Revenue
26 Act of 1967 when information on the reports or returns is relevant to any
27 action or proceeding instituted or being considered by the United States
28 Postal Service against such person for the fraudulent use of the mails to
29 carry and deliver false and fraudulent tax returns to the Tax
30 Commissioner with the intent to defraud the State of Nebraska or to evade
31 the payment of Nebraska state taxes.

1 (10)(a) Notwithstanding the provisions of subsection (6) of this
2 section, the Tax Commissioner shall, upon written request by the Auditor
3 of Public Accounts or the office of Legislative Audit, make tax returns
4 and tax return information open to inspection by or disclosure to
5 officers and employees of the Auditor of Public Accounts or employees of
6 the office of Legislative Audit for the purpose of and to the extent
7 necessary in making an audit of the Department of Revenue pursuant to
8 section 50-1205 or 84-304. The Auditor of Public Accounts or office of
9 Legislative Audit shall statistically and randomly select the tax returns
10 and tax return information to be audited based upon a computer tape
11 provided by the Department of Revenue which contains only total
12 population documents without specific identification of taxpayers. The
13 Tax Commissioner shall have the authority to approve the statistical
14 sampling method used by the Auditor of Public Accounts or office of
15 Legislative Audit. Confidential tax returns and tax return information
16 shall be audited only upon the premises of the Department of Revenue. All
17 audit workpapers pertaining to the audit of the Department of Revenue
18 shall be stored in a secure place in the Department of Revenue.

19 (b) When selecting tax returns or tax return information for a
20 performance audit of a tax incentive program, the office of Legislative
21 Audit shall select the tax returns or tax return information for either
22 all or a statistically and randomly selected sample of taxpayers who have
23 applied for or who have qualified for benefits under the tax incentive
24 program that is the subject of the audit. When the office of Legislative
25 Audit reports on its review of tax returns and tax return information, it
26 shall comply with subdivision (10)(c) of this section.

27 (c) No officer or employee of the Auditor of Public Accounts or
28 office of Legislative Audit employee shall disclose to any person, other
29 than another officer or employee of the Auditor of Public Accounts or
30 office of Legislative Audit whose official duties require such
31 disclosure, any return or return information described in the Nebraska

1 Revenue Act of 1967 in a form which can be associated with or otherwise
2 identify, directly or indirectly, a particular taxpayer.

3 (d) Any person who violates the provisions of this subsection shall
4 be guilty of a Class IV felony and, in the discretion of the court, may
5 be assessed the costs of prosecution. The guilty officer or employee
6 shall be dismissed from employment and be ineligible to hold any position
7 of employment with the State of Nebraska for a period of two years
8 thereafter. For purposes of this subsection, officer or employee shall
9 include a former officer or employee of the Auditor of Public Accounts or
10 former employee of the office of Legislative Audit.

11 (11) For purposes of subsections (10) through (13) of this section:

12 (a) Tax returns shall mean any tax or information return or claim
13 for refund required by, provided for, or permitted under sections 77-2714
14 to 77-27,135 which is filed with the Tax Commissioner by, on behalf of,
15 or with respect to any person and any amendment or supplement thereto,
16 including supporting schedules, attachments, or lists which are
17 supplemental to or part of the filed return;

18 (b) Return information shall mean:

19 (i) A taxpayer's identification number and (A) the nature, source,
20 or amount of his or her income, payments, receipts, deductions,
21 exemptions, credits, assets, liabilities, net worth, tax liability, tax
22 withheld, deficiencies, overassessments, or tax payments, whether the
23 taxpayer's return was, is being, or will be examined or subject to other
24 investigation or processing or (B) any other data received by, recorded
25 by, prepared by, furnished to, or collected by the Tax Commissioner with
26 respect to a return or the determination of the existence or possible
27 existence of liability or the amount of liability of any person for any
28 tax, penalty, interest, fine, forfeiture, or other imposition or offense;
29 and

30 (ii) Any part of any written determination or any background file
31 document relating to such written determination; and

1 (c) Disclosures shall mean the making known to any person in any
2 manner a return or return information.

3 (12) The Auditor of Public Accounts shall (a) notify the Tax
4 Commissioner in writing thirty days prior to the beginning of an audit of
5 his or her intent to conduct an audit, (b) provide an audit plan, and (c)
6 provide a list of the tax returns and tax return information identified
7 for inspection during the audit. The office of Legislative Audit shall
8 notify the Tax Commissioner of the intent to conduct an audit and of the
9 scope of the audit as provided in section 50-1209.

10 (13) The Auditor of Public Accounts or the office of Legislative
11 Audit shall, as a condition for receiving tax returns and tax return
12 information: (a) Subject employees involved in the audit to the same
13 confidential information safeguards and disclosure procedures as required
14 of Department of Revenue employees; (b) establish and maintain a
15 permanent system of standardized records with respect to any request for
16 tax returns or tax return information, the reason for such request, and
17 the date of such request and any disclosure of the tax return or tax
18 return information; (c) establish and maintain a secure area or place in
19 the Department of Revenue in which the tax returns, tax return
20 information, or audit workpapers shall be stored; (d) restrict access to
21 the tax returns or tax return information only to persons whose duties or
22 responsibilities require access; (e) provide such other safeguards as the
23 Tax Commissioner determines to be necessary or appropriate to protect the
24 confidentiality of the tax returns or tax return information; (f) provide
25 a report to the Tax Commissioner which describes the procedures
26 established and utilized by the Auditor of Public Accounts or office of
27 Legislative Audit for insuring the confidentiality of tax returns, tax
28 return information, and audit workpapers; and (g) upon completion of use
29 of such returns or tax return information, return to the Tax Commissioner
30 such returns or tax return information, along with any copies.

31 (14) The Tax Commissioner may permit other tax officials of this

1 state to inspect the tax returns and reports filed under sections 77-2714
2 to 77-27,135, but such inspection shall be permitted only for purposes of
3 enforcing a tax law and only to the extent and under the conditions
4 prescribed by the rules and regulations of the Tax Commissioner.

5 (15) The Tax Commissioner shall compile the school district
6 information required by subsection (2) of this section. Insofar as it is
7 possible, such compilation shall include, but not be limited to, the
8 total adjusted gross income of each school district in the state. The Tax
9 Commissioner shall adopt and promulgate such rules and regulations as may
10 be necessary to insure that such compilation does not violate the
11 confidentiality of any individual income tax return nor conflict with any
12 other provisions of state or federal law.

13 Sec. 21. Section 79-202, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-202 (1) A person who has legal or actual charge or control of a
16 child who is at least sixteen years of age but less than eighteen years
17 of age may withdraw such child from school before graduation and be
18 exempt from the mandatory attendance requirements of section 79-201 if an
19 exit interview is conducted and the withdrawal form is signed as required
20 by subsections (2) through (5) of this section for a child enrolled in a
21 public, private, denominational, or parochial school or if a signed
22 ~~notarized~~ release form is filed with the Commissioner of Education as
23 required by subsection (6) of this section for a child enrolled in a
24 school that elects pursuant to section 79-1601 not to meet accreditation
25 or approval requirements.

26 (2) Upon the written request of any person who has legal or actual
27 charge or control of a child who is at least sixteen years of age but
28 less than eighteen years of age, the superintendent of a school district
29 or the superintendent's designee shall conduct an exit interview if the
30 child (a) is enrolled in a school operated by the school district or (b)
31 resides in the school district and is enrolled in a private,

1 denominational, or parochial school.

2 (3) The superintendent or the superintendent's designee shall set
3 the time and place for the exit interview which shall be personally
4 attended by: (a) The child, unless the withdrawal is being requested due
5 to an illness of the child making attendance at the exit interview
6 impossible or impracticable; (b) the person who has legal or actual
7 charge or control of the child who requested the exit interview; (c) the
8 superintendent or the superintendent's designee; (d) the child's
9 principal or the principal's designee if the child at the time of the
10 exit interview is enrolled in a school operated by the school district;
11 and (e) any other person requested by any of the required parties who
12 agrees to attend the exit interview and is available at the time
13 designated for the exit interview which may include, but need not be
14 limited to, other school district personnel or the child's principal or
15 such principal's designee if the child is enrolled in a private,
16 denominational, or parochial school.

17 (4) At the exit interview, the person making the written request
18 pursuant to subsection (2) of this section shall present evidence that
19 (a) the person has legal or actual charge or control of the child and (b)
20 the child would be withdrawing due to either (i) financial hardships
21 requiring the child to be employed to support the child's family or one
22 or more dependents of the child or (ii) an illness of the child making
23 attendance impossible or impracticable. The superintendent or
24 superintendent's designee shall identify all known alternative
25 educational opportunities, including vocational courses of study, that
26 are available to the child in the school district and how withdrawing
27 from school is likely to reduce potential future earnings for the child
28 and increase the likelihood of the child being unemployed in the future.
29 Any other relevant information may be presented and discussed by any of
30 the parties in attendance.

31 (5)(a) At the conclusion of the exit interview, the person making

1 the written request pursuant to subsection (2) of this section may sign
2 the withdrawal form provided by the school district agreeing to the
3 withdrawal of the child or may rescind the written request for the
4 withdrawal.

5 (b) Any withdrawal form signed by the person making the written
6 request pursuant to subsection (2) of this section shall be valid only if
7 (i) the child signs the form unless the withdrawal is being requested due
8 to an illness of the child making attendance at the exit interview
9 impossible or impracticable and (ii) the superintendent or
10 superintendent's designee signs the form acknowledging that the interview
11 was held, the required information was provided and discussed at the
12 interview, and, in the opinion of the superintendent or the
13 superintendent's designee, the person making the written request pursuant
14 to subsection (2) of this section does in fact have legal or actual
15 charge or control of the child and the child is experiencing either (A)
16 financial hardships requiring the child to be employed to support the
17 child's family or one or more dependents of the child or (B) an illness
18 making attendance impossible or impracticable.

19 (6) A person who has legal or actual charge or control of the child
20 who is at least sixteen years of age but less than eighteen years of age
21 may withdraw such a child before graduation and be exempt from the
22 mandatory attendance requirements of section 79-201 if such child has
23 been enrolled in a school that elects pursuant to section 79-1601 not to
24 meet the accreditation or approval requirements by filing with the State
25 Department of Education a signed ~~notarized~~ release on a form prescribed
26 by the Commissioner of Education.

27 (7) A child who has been withdrawn from school pursuant to this
28 section may enroll in a school district at a later date as provided in
29 section 79-215 or may enroll in a private, denominational, or parochial
30 school or a school which elects pursuant to section 79-1601 not to meet
31 accreditation or approval requirements. Any such enrollment shall void

1 the withdrawal form previously entered, and the provisions of sections
2 79-201 to 79-210 shall apply to the child.

3 (8) The commissioner ~~Commissioner of Education~~ shall prescribe the
4 required form for withdrawals pursuant to this section and determine and
5 direct either that (a) withdrawal forms of school districts for any child
6 who is withdrawn from school pursuant to this section and subdivision (3)
7 (c) of section 79-201 shall be provided annually to the department ~~State~~
8 ~~Department of Education~~ or (b) data regarding such students shall be
9 collected under subsection (2) of section 79-528.

10 Sec. 22. Section 79-308, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

12 79-308 (1) The Commissioner of Education shall organize institutes
13 and conferences at such times and places as he or she deems practicable.
14 He or she shall, as far as practicable, attend such institutes and
15 conferences, provide proper instructors for the same, and in other ways
16 seek to improve the efficiency of teachers and advance the cause of
17 education in the state.

18 (2) The Legislature finds that (a) an educator-effectiveness system
19 includes a quality evaluation system with the primary goal of improving
20 instruction and learning in every school district and (b) school
21 districts have an opportunity to receive training on the quality
22 evaluation models.

23 (3) Beginning with the 2016-17 school year through the 2020-21
24 ~~2019-20~~ school year, school districts may apply to the State Department
25 of Education for grant funding for a period of up to two years to
26 implement an evaluation model for effective educators and to obtain the
27 necessary training for administrators and teachers for such model.

28 ~~(4) The State Board of Education may adopt and promulgate rules and~~
29 ~~regulations to carry out this section.~~

30 Sec. 23. Section 79-309.01, Revised Statutes Cumulative Supplement,
31 2020, is amended to read:

1 79-309.01 (1) The Commissioner of Education shall use the separate
2 accounting provided by the State Treasurer through 2020 under subdivision
3 (1)(b) of section 79-1035 to determine the amount that is attributable to
4 income from solar or wind agreements on school lands. This amount shall
5 provide funds for the grants described in section 79-308 through the
6 2020-21 ~~2019-20~~ school year.

7 (2) On or before June 30, 2022, any unencumbered and unspent funds
8 from any separate accounting provided by the State Treasurer under
9 subdivision (1)(b) of section 79-1035 shall be transferred to the
10 temporary school fund.

11 (3) For purposes of this section, agreement means any lease,
12 easement, covenant, or other such contractual arrangement.

13 Sec. 24. Section 79-422, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-422 ~~(1)~~ Bonded indebtedness approved by legal voters prior to
16 any change in school district boundary lines pursuant to sections 79-413
17 to 79-421 shall remain the obligation of the school district voting such
18 bonds unless otherwise specified in the petitions. When a district is
19 dissolved by petitions and the area is attached to two or more districts,
20 the petitions shall specify the disposition of assets and unbonded
21 obligations of the original district.

22 ~~(2) Bonded indebtedness approved by legal voters for high school~~
23 ~~facilities prior to the establishment of an affiliation shall remain the~~
24 ~~obligation of the high school district unless otherwise specified in the~~
25 ~~petitions.~~

26 Sec. 25. Section 79-433, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 79-433 For purposes of the Reorganization of School Districts Act,
29 unless the context otherwise requires:

30 (1) Reorganization of school districts means the formation of new
31 school districts, the alteration of boundaries of established school

1 districts that are not members of a learning community, ~~the affiliation~~
2 ~~of school districts,~~ and the dissolution or disorganization of
3 established school districts through or by means of any one or
4 combination of the methods set out in section 79-434; and

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

7 Sec. 26. Section 79-449, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 79-449 Whenever two or more school districts are involved in a
10 reorganization plan, the old districts shall continue to be responsible
11 for any indebtedness incurred before the reorganization takes place
12 unless a different arrangement is included in the plan voted upon by the
13 people. ~~Bonded indebtedness incurred for high school facilities prior to~~
14 ~~the adoption of any affiliation plan shall remain the obligation of the~~
15 ~~high school district unless otherwise specified in the petitions.~~

16 Sec. 27. Section 79-611, Revised Statutes Cumulative Supplement,
17 2020, is amended to read:

18 79-611 (1) The school board of any school district shall provide
19 free transportation, partially provide free transportation, or pay an
20 allowance for transportation in lieu of free transportation as follows:

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

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

31 (c) When a student attends a secondary school in his or her own

1 Class III school district and lives more than four miles from such
2 secondary school ~~the public schoolhouse~~ as measured by the shortest route
3 that must actually and necessarily be traveled by motor vehicle to reach
4 the student's residence. This subdivision does not apply to any
5 elementary-only school district that merged with a high-school-only
6 school district to form a new Class III school district on or after
7 January 1, 1997, and before June 16, 2006; and

8 (d) When a student, other than a student in grades ten through
9 twelve in a Class V school district, attends an elementary or junior high
10 school in his or her own Class V school district and lives more than four
11 miles from ~~the public schoolhouse~~ in such elementary or junior high
12 school ~~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 (2)(a) For school years prior to school year 2017-18 and as required
16 pursuant to subsection (3) of section 79-241, the school board of any
17 school district that is a member of a learning community shall provide
18 free transportation for a student who resides in such learning community
19 and attends school in such school district if (i) the student is
20 transferring pursuant to the open enrollment provisions of section
21 79-2110, qualifies for free or reduced-price lunches, lives more than one
22 mile from the school to which he or she transfers, and is not otherwise
23 disqualified under subdivision (2)(c) of this section, (ii) the student
24 is transferring pursuant to the open enrollment provisions of section
25 79-2110, is a student who contributes to the socioeconomic diversity of
26 enrollment at the school building he or she attends, lives more than one
27 mile from the school to which he or she transfers, and is not otherwise
28 disqualified under subdivision (2)(c) of this section, (iii) the student
29 is attending a focus school or program and lives more than one mile from
30 the school building housing the focus school or program, or (iv) the
31 student is attending a magnet school or program and lives more than one

1 mile from the magnet school or the school housing the magnet program.

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

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

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

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

28 (a) To the parent, custodial parent, or guardian providing
29 transportation for students from other families, one hundred percent of
30 the amount prescribed in subsection (3) of this section for the
31 transportation of students of such parent's, custodial parent's, or

1 guardian's own family and an additional five percent for students of each
2 other family not to exceed a maximum of one hundred twenty-five percent
3 of the amount determined pursuant to subsection (3) of this section; and

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

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

25 (6) The board may authorize school-provided transportation to any
26 student who does not qualify under the mileage requirements of subsection
27 (1) of this section and may charge a fee to the parent or guardian of the
28 student for such service. No transportation payments shall be made to a
29 family for mileage not actually traveled by such family. The number of
30 days the student has attended school shall be reported monthly by the
31 teacher to the board of such public school district.

1 (7) No more than one allowance shall be made to a family
2 irrespective of the number of students in a family being transported to
3 school.

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

6 Sec. 28. Section 79-759, Revised Statutes Cumulative Supplement,
7 2020, is amended to read:

8 79-759 No later than the 2017-18 school year, the State Department
9 of Education shall administer a standard college admission test, selected
10 by the State Board of Education, to students in the eleventh grade
11 attending a public school in the state in lieu of the assessment for the
12 one grade in high school as required under section 79-760.03. The
13 department shall pay the expenses of administering such college admission
14 test ~~and may use funds from the Nebraska Education Improvement Fund as~~
15 ~~provided in section 9-812.~~

16 Sec. 29. Sections 29 to 31 of this act shall be known and may be
17 cited as the Alternative Certification for Quality Teachers Act.

18 Sec. 30. The Legislature finds and declares that:

19 (1) Like many other states, Nebraska is facing a teacher and
20 substitute teacher shortage;

21 (2) Mandatory training days and family leave policies draw many
22 regular teachers out of their classrooms, causing schools to hire
23 substitute teachers;

24 (3) The Internal Revenue Service requires a separation period for
25 recently retired teachers who may otherwise be interested in returning to
26 the classroom as a substitute teacher;

27 (4) In the fall of 2016, the State Department of Education conducted
28 a teacher vacancy survey of all school districts, educational service
29 units, and nonpublic school systems;

30 (5) Such survey showed that the state continues to have hundreds of
31 unfilled teaching positions across the state;

1 (6) The most widely reported solution for filling teaching vacancies
2 was to hire an individual who holds a transitional, provisional, or
3 temporary teaching certificate; and

4 (7) Filling teaching vacancies and having an adequate number of
5 substitute teachers is imperative for delivering a high-quality learning
6 experience to students.

7 Sec. 31. (1) In addition to certificates issued pursuant to
8 sections 79-806 to 79-815:

9 (a) The Commissioner of Education shall, subject to the provisions
10 of subsection (3) of this section, grant a temporary certificate to teach
11 on a full-time basis to any applicant who:

12 (i) Has completed a teacher education program at a standard
13 institution of higher education as defined in section 79-807; and

14 (ii) Currently possesses a certificate to teach in good standing
15 from another state; and

16 (b) The commissioner may, subject to the provisions of subsection
17 (3) of this section, grant a temporary certificate to teach on a full-
18 time basis to any applicant who:

19 (i) Has earned and been awarded a bachelor's degree, graduate
20 degree, or professional degree from a college or university accredited by
21 an accrediting organization recognized by the United States Department of
22 Education; and

23 (ii) Has satisfactorily demonstrated basic skills competency and
24 passed any appropriate subject area examination as designated by the
25 State Board of Education.

26 (2) Any temporary certificate to teach issued pursuant to this
27 section shall be valid for a period not to exceed two years, during which
28 the holder of such temporary certificate must obtain a certificate to
29 teach pursuant to sections 79-806 to 79-815 by completing the
30 requirements contained in such sections.

31 (3) Issuance of a temporary certificate to teach pursuant to this

1 section shall be subject to a criminal history record information check
2 pursuant to section 79-814.01 and payment of any required fees.

3 Sec. 32. Section 79-8,133, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-8,133 The Attracting Excellence to Teaching Program is created.
6 For purposes of the Attracting Excellence to Teaching Program:

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

8 (2) Eligible institution means a not-for-profit college or
9 university which (a) is located in Nebraska, (b) is accredited by an a
10 ~~regional~~ accrediting agency recognized by the United States Department of
11 Education as determined to be acceptable by the State Board of Education,
12 (c) has a teacher education program, and (d) if a privately funded
13 college or university, has not opted out of the program pursuant to rules
14 and regulations;

15 (3) Eligible student means an individual who (a) is a full-time
16 student, (b) is enrolled in an eligible institution in an undergraduate
17 or a graduate teacher education program working toward his or her initial
18 certificate to teach in Nebraska, (c) if enrolled at a state-funded
19 eligible institution, is a resident student as described in section
20 85-502 or, if enrolled in a privately funded eligible institution, would
21 be deemed a resident student if enrolled in a state-funded eligible
22 institution, (d) for applicants applying for the first time on or after
23 April 23, 2009, is a student majoring in a shortage area, and (e) for
24 applicants applying to receive a loan during fiscal year 2011-12 or
25 2012-13, is a student who previously received a loan pursuant to the
26 Attracting Excellence to Teaching Program in the fiscal year immediately
27 preceding the fiscal year in which the new loan would be received;

28 (4) Full-time student means, in the aggregate, the equivalent of a
29 student who in a twelve-month period is enrolled in twenty-four semester
30 credit hours for undergraduate students or eighteen semester credit hours
31 for graduate students of classroom, laboratory, clinical, practicum, or

1 independent study course work;

2 (5) Majoring in a shortage area means pursuing a degree which will
3 allow an individual to be properly endorsed to teach in a shortage area;

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

8 (7) Teacher education program means a program of study approved by
9 the State Board of Education pursuant to subdivision (5)(g) of section
10 79-318.

11 Sec. 33. Section 79-8,137.01, Revised Statutes Cumulative
12 Supplement, 2020, is amended to read:

13 79-8,137.01 The Enhancing Excellence in Teaching Program is created.

14 For purposes of the Enhancing Excellence in Teaching Program:

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

16 (2) Eligible graduate program means a program of study offered by an
17 eligible institution which results in obtaining a graduate degree or a
18 graduate course of study leading to an endorsement in a shortage area
19 specified by the State Board of Education;

20 (3) Eligible institution means a not-for-profit college or
21 university which (a) is located in Nebraska, (b) is accredited by an a
22 ~~regional~~ accrediting agency recognized by the United States Department of
23 Education as determined to be acceptable by the State Board of Education,
24 (c) has a teacher education program, and (d) if a privately funded
25 college or university, has not opted out of the Enhancing Excellence in
26 Teaching Program pursuant to rules and regulations;

27 (4) Eligible student means an individual who (a) is a certificated
28 teacher employed to teach in an approved or accredited school in
29 Nebraska, (b) is enrolled in an eligible graduate program, (c) if
30 enrolled at a state-funded eligible institution, is a resident student as
31 described in section 85-502 or, if enrolled in a privately funded

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

13 (5) Majoring in a shortage area or subject area means pursuing a
14 degree or course of study which will allow an individual to be properly
15 endorsed to teach in such shortage area or subject area; and

16 (6) Shortage area means a secular field of teaching or endorsement
17 area for which there is a shortage, as determined by the department, of
18 properly endorsed teachers at the time the borrower first receives funds
19 pursuant to the Enhancing Excellence in Teaching Program.

20 Sec. 34. Section 79-8,137.05, Revised Statutes Cumulative
21 Supplement, 2020, is amended to read:

22 79-8,137.05 (1) The Excellence in Teaching Cash Fund is created. The
23 fund shall consist of appropriations by the Legislature, transfers
24 pursuant to section 9-812, and loan repayments, penalties, and interest
25 payments received in the course of administering the Attracting
26 Excellence to Teaching Program and the Enhancing Excellence in Teaching
27 Program.

28 (2) For all fiscal years, the department shall allocate on an annual
29 basis up to four hundred thousand dollars in the aggregate of the funds
30 to be distributed for the Attracting Excellence to Teaching Program to
31 all eligible institutions according to the distribution formula as

1 determined by rule and regulation. The eligible institutions shall act as
2 agents of the department in the distribution of the funds for the
3 Attracting Excellence to Teaching Program to eligible students. The
4 department shall allocate on an annual basis up to eight hundred thousand
5 dollars of the remaining available funds to be distributed to eligible
6 students for the Enhancing Excellence in Teaching Program. Funding
7 amounts granted in excess of one million two hundred thousand dollars
8 shall be evenly divided for distribution between the two programs.

9 ~~(3) Any money remaining in the fund on August 1, 2021, shall be~~
10 ~~transferred to the Nebraska Education Improvement Fund on such date.~~

11 ~~(3) (4)~~ Any money in the Excellence in Teaching Cash Fund available
12 for investment shall be invested by the state investment officer pursuant
13 to the Nebraska Capital Expansion Act and the Nebraska State Funds
14 Investment Act.

15 Sec. 35. Section 79-1003, Revised Statutes Cumulative Supplement,
16 2020, is amended to read:

17 79-1003 For purposes of the Tax Equity and Educational Opportunities
18 Support Act:

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

1 ~~transportation allowance, special receipts allowance, poverty allowance,~~
2 ~~limited English proficiency allowance, distance education and~~
3 ~~telecommunications allowance, elementary site allowance, summer school~~
4 ~~allowance, and focus school and program allowance, and (c) for school~~
5 ~~fiscal year 2019-20 and each school fiscal year thereafter, the~~
6 ~~difference of the general fund operating expenditures as calculated~~
7 ~~pursuant to subdivision (23) of this section increased by the cost growth~~
8 ~~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, community achievement plan allowance, and focus school and~~
13 ~~program allowance;~~

14 (2) Adjusted valuation means the assessed valuation of taxable
15 property of each local system in the state, adjusted pursuant to the
16 adjustment factors described in section 79-1016. Adjusted valuation means
17 the adjusted valuation for the property tax year ending during the school
18 fiscal year immediately preceding the school fiscal year in which the aid
19 based upon that value is to be paid. For purposes of determining the
20 local effort rate yield pursuant to section 79-1015.01, adjusted
21 valuation does not include the value of any property which a court, by a
22 final judgment from which no appeal is taken, has declared to be
23 nontaxable or exempt from taxation;

24 (3) Allocated income tax funds means the amount of assistance paid
25 to a local system pursuant to section 79-1005.01;

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

31 (5) Base fiscal year means the first school fiscal year following

1 the school fiscal year in which the reorganization or unification
2 occurred;

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

4 (7) Categorical funds means funds limited to a specific purpose by
5 federal or state law, including, but not limited to, Title I funds, Title
6 VI funds, federal career and technical ~~vocational~~ education funds,
7 federal school lunch funds, Indian education funds, Head Start funds, and
8 funds received prior to July 1, 2022, from the Nebraska Education
9 Improvement Fund ~~from the Education Innovation Fund~~;

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

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

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

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

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

30 (13) Ensuing school fiscal year means the school fiscal year
31 following the current school fiscal year;

1 (14) Equalization aid means the amount of assistance calculated to
2 be paid to a local system pursuant to section 79-1008.01;

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

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

9 (17) Formula students means:

10 (a) For state aid certified pursuant to section 79-1022, the sum of
11 the product of fall membership from the school fiscal year immediately
12 preceding the school fiscal year in which the aid is to be paid
13 multiplied by the average ratio of average daily membership to fall
14 membership for the second school fiscal year immediately preceding the
15 school fiscal year in which the aid is to be paid and the prior two
16 school fiscal years plus sixty percent of the qualified early childhood
17 education fall membership plus tuitioned students from the school fiscal
18 year immediately preceding the school fiscal year in which aid is to be
19 paid minus the product of the number of students enrolled in kindergarten
20 that is not full-day kindergarten from the fall membership multiplied by
21 0.5; and

22 (b) For the final calculation of state aid pursuant to section
23 79-1065, the sum of average daily membership plus sixty percent of the
24 qualified early childhood education average daily membership plus
25 tuitioned students minus the product of the number of students enrolled
26 in kindergarten that is not full-day kindergarten from the average daily
27 membership multiplied by 0.5 from the school fiscal year immediately
28 preceding the school fiscal year in which aid was paid;

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

1 (a) for schools that did not provide free meals to all students pursuant
2 to the community eligibility provision, students who individually
3 qualified for free lunches or free milk pursuant to the federal Richard
4 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
5 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
6 and sections existed on January 1, 2021 ~~2015~~, and rules and regulations
7 adopted thereunder, plus (b) for schools that provided free meals to all
8 students pursuant to the community eligibility provision, ~~(i) for school~~
9 ~~fiscal year 2016-17, the product of the students who attended such school~~
10 ~~multiplied by the identified student percentage calculated pursuant to~~
11 ~~such federal provision or (ii) for school fiscal year 2017-18 and each~~
12 ~~school fiscal year thereafter,~~ the greater of the number of students in
13 such school who individually qualified for free lunch or free milk using
14 the most recent school fiscal year for which the school did not provide
15 free meals to all students pursuant to the community eligibility
16 provision or one hundred ten percent of the product of the students who
17 qualified for free meals at such school pursuant to the community
18 eligibility provision multiplied by the identified student percentage
19 calculated pursuant to such federal provision, except that the free lunch
20 and free milk calculated ~~students calculated~~ for any school pursuant to
21 subdivision (18)(b) ~~(18)(b)(ii)~~ of this section shall not exceed one
22 hundred percent of the students qualified for free meals at such school
23 pursuant to the community eligibility provision;

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

29 (19) ~~(20)~~ Full-day kindergarten means kindergarten offered by a
30 district for at least one thousand thirty-two instructional hours;

31 (20) ~~(21)~~ General fund budget of expenditures means the total budget

1 of disbursements and transfers for general fund purposes as certified in
2 the budget statement adopted pursuant to the Nebraska Budget Act, except
3 that for purposes of the limitation imposed in section 79-1023, the
4 general fund budget of expenditures does not include any special grant
5 funds, exclusive of local matching funds, received by a district;

6 (21) ~~(22)~~ General fund expenditures means all expenditures from the
7 general fund;

8 (22) ~~(23)~~ General fund operating expenditures means, for state aid
9 calculated for ~~school fiscal years 2012-13 and~~ each school fiscal year
10 ~~thereafter~~, as reported on the annual financial report for the second
11 school fiscal year immediately preceding the school fiscal year in which
12 aid is to be paid, the total general fund expenditures minus (a) the
13 amount of all receipts to the general fund, to the extent that such
14 receipts are not included in local system formula resources, from early
15 childhood education tuition, summer school tuition, educational entities
16 as defined in section 79-1201.01 for providing distance education courses
17 through the Educational Service Unit Coordinating Council to such
18 educational entities, private foundations, individuals, associations,
19 charitable organizations, the textbook loan program authorized by section
20 79-734, federal impact aid, and levy override elections pursuant to
21 section 77-3444, (b) the amount of expenditures for categorical funds,
22 tuition paid to other school districts, tuition paid to postsecondary
23 institutions for college credit, transportation fees paid to other
24 districts, adult education, community services, redemption of the
25 principal portion of general fund debt service, retirement incentive
26 plans authorized by section 79-855, and staff development assistance
27 authorized by section 79-856, (c) the amount of any transfers from the
28 general fund to any bond fund and transfers from other funds into the
29 general fund, (d) any legal expenses in excess of fifteen-hundredths of
30 one percent of the formula need for the school fiscal year in which the
31 expenses occurred, (e) ~~(e)(i) for state aid calculated for school fiscal~~

1 ~~years prior to school fiscal year 2018-19, expenditures to pay for sums~~
2 ~~agreed to be paid by a school district to certificated employees in~~
3 ~~exchange for a voluntary termination occurring prior to July 1, 2009,~~
4 ~~occurring on or after the last day of the 2010-11 school year and prior~~
5 ~~to the first day of the 2013-14 school year, or, to the extent that a~~
6 ~~district has demonstrated to the State Board of Education pursuant to~~
7 ~~section 79-1028.01 that the agreement will result in a net savings in~~
8 ~~salary and benefit costs to the school district over a five year period,~~
9 ~~occurring on or after the first day of the 2013-14 school year or (ii)~~
10 ~~for state aid calculated for school fiscal year 2018-19 and each school~~
11 ~~fiscal year thereafter, expenditures to pay for incentives agreed to be~~
12 ~~paid by a school district to certificated employees in exchange for a~~
13 ~~voluntary termination of employment for which the State Board of~~
14 ~~Education approved an exclusion pursuant to subdivision (1)(h), (i), (j),~~
15 ~~or (k) of section 79-1028.01, (f)(i) expenditures to pay for employer~~
16 ~~contributions pursuant to subsection (2) of section 79-958 to the School~~
17 ~~Employees Retirement System of the State of Nebraska to the extent that~~
18 ~~such expenditures exceed the employer contributions under such subsection~~
19 ~~that would have been made at a contribution rate of seven and thirty-five~~
20 ~~hundredths percent or (ii) expenditures to pay for school district~~
21 ~~contributions pursuant to subdivision (1)(c)(i) or (1)(d)(i) of section~~
22 ~~79-9,113 to the retirement system established pursuant to the Class V~~
23 ~~School Employees Retirement Act to the extent that such expenditures~~
24 ~~exceed the school district contributions under such subdivision that~~
25 ~~would have been made at a contribution rate of seven and thirty-seven~~
26 ~~hundredths percent, and (g) any amounts paid by the district for lobbyist~~
27 ~~fees and expenses reported to the Clerk of the Legislature pursuant to~~
28 ~~section 49-1483.~~

29 For purposes of this subdivision (22) ~~(23)~~ of this section, receipts
30 from levy override elections shall equal ninety-nine percent of the
31 difference of the total general fund levy minus a levy of one dollar and

1 five cents per one hundred dollars of taxable valuation multiplied by the
2 assessed valuation for school districts that have voted pursuant to
3 section 77-3444 to override the maximum levy provided pursuant to section
4 77-3442;

5 ~~(23)~~ ~~(24)~~ Income tax liability means the amount of the reported
6 income tax liability for resident individuals pursuant to the Nebraska
7 Revenue Act of 1967 less all nonrefundable credits earned and refunds
8 made;

9 ~~(24)~~ ~~(25)~~ Income tax receipts means the amount of income tax
10 collected pursuant to the Nebraska Revenue Act of 1967 less all
11 nonrefundable credits earned and refunds made;

12 ~~(25)~~ ~~(26)~~ Limited English proficiency students means the number of
13 students with limited English proficiency in a district from the most
14 recent data available on November 1 of the school fiscal year preceding
15 the school fiscal year in which aid is to be paid plus the difference of
16 such students with limited English proficiency minus the average number
17 of limited English proficiency students for such district, prior to such
18 addition, for the three immediately preceding school fiscal years if such
19 difference is greater than zero;

20 ~~(26)~~ ~~(27)~~ Local system means a unified system or a school district;

21 ~~(27)~~ ~~(28)~~ Low-income child means ~~(a) for school fiscal years prior~~
22 ~~to 2016-17, a child under nineteen years of age living in a household~~
23 ~~having an annual adjusted gross income for the second calendar year~~
24 ~~preceding the beginning of the school fiscal year for which aid is being~~
25 ~~calculated equal to or less than the maximum household income that would~~
26 ~~allow a student from a family of four people to be a free lunch and free~~
27 ~~milk student during the school fiscal year immediately preceding the~~
28 ~~school fiscal year for which aid is being calculated and (b) for school~~
29 ~~fiscal year 2016-17 and each school fiscal year thereafter, a child under~~
30 ~~nineteen years of age living in a household having an annual adjusted~~
31 ~~gross income for the second calendar year preceding the beginning of the~~

1 school fiscal year for which aid is being calculated equal to or less
2 than the maximum household income pursuant to sections 9(b)(1) and 17(c)
3 (4) of the Richard B. Russell National School Lunch Act, 42 U.S.C.
4 1758(b)(1) and 42 U.S.C. 1766(c)(4), respectively, and sections 3(a)(6)
5 and 4(e)(1)(A) of the Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6)
6 and 42 U.S.C. 1773(e)(1)(A), respectively, as such acts and sections
7 existed on January 1, 2021 ~~2015~~, for a household of that size that would
8 have allowed the child to meet the income qualifications for free meals
9 during the school fiscal year immediately preceding the school fiscal
10 year for which aid is being calculated;

11 ~~(28)~~ (29) Low-income students means the number of low-income
12 children within the district multiplied by the ratio of the formula
13 students in the district divided by the total children under nineteen
14 years of age residing in the district as derived from income tax
15 information;

16 ~~(29)~~ (30) Most recently available complete data year means the most
17 recent single school fiscal year for which the annual financial report,
18 fall school district membership report, annual statistical summary,
19 Nebraska income tax liability by school district for the calendar year in
20 which the majority of the school fiscal year falls, and adjusted
21 valuation data are available;

22 ~~(30)~~ (31) Poverty students means ~~(a) for school fiscal years prior~~
23 ~~to 2016-17, the number of low-income students or the number of students~~
24 ~~who are free lunch and free milk students in a district plus the~~
25 ~~difference of the number of low-income students or the number of students~~
26 ~~who are free lunch and free milk students in a district, whichever is~~
27 ~~greater, minus the average number of poverty students for such district,~~
28 ~~prior to such addition, for the three immediately preceding school fiscal~~
29 ~~years if such difference is greater than zero and (b) for school fiscal~~
30 ~~year 2016-17 and each school fiscal year thereafter, the unadjusted~~
31 poverty students plus the difference of such unadjusted poverty students

1 minus the average number of poverty students for such district, prior to
2 such addition, for the three immediately preceding school fiscal years if
3 such difference is greater than zero;

4 (31) ~~(32)~~ Qualified early childhood education average daily
5 membership means the product of the average daily membership ~~for school~~
6 ~~fiscal year 2006-07 and each school fiscal year thereafter~~ of students
7 who will be eligible to attend kindergarten the following school year and
8 are enrolled in an early childhood education program approved by the
9 department pursuant to section 79-1103 for such school district for such
10 school year multiplied by the ratio of the actual instructional hours of
11 the program divided by one thousand thirty-two if: (a) The program is
12 receiving a grant pursuant to such section for the third year; (b) the
13 program has already received grants pursuant to such section for three
14 years; or (c) the program has been approved pursuant to subsection (5) of
15 section 79-1103 for such school year and the two preceding school years,
16 including any such students in portions of any of such programs receiving
17 an expansion grant;

18 (32) ~~(33)~~ Qualified early childhood education fall membership means
19 the product of membership on October 1 of each school year of students
20 who will be eligible to attend kindergarten the following school year and
21 are 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 planned 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) ~~(34)~~ Regular route transportation means the transportation of

1 students on regularly scheduled daily routes to and from the schools such
2 students attend attendance center;

3 (34) ~~(35)~~ Reorganized district means any district involved in a
4 consolidation and currently educating students following consolidation;

5 (35) ~~(36)~~ School year or school fiscal year means the fiscal year of
6 a school district as defined in section 79-1091;

7 (36) ~~(37)~~ Sparse local system means a local system that is not a
8 very sparse local system but which meets the following criteria:

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

14 (b)(i) Less than one and one-half formula students per square mile
15 in the local system and (ii) more than fifteen miles between each high
16 school ~~attendance center~~ and the next closest high school ~~attendance~~
17 ~~center~~ on paved roads;

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

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

25 (37) ~~(38)~~ Special education means specially designed kindergarten
26 through grade twelve instruction pursuant to section 79-1125, and
27 includes special education transportation;

28 (38) ~~(39)~~ Special grant funds means the budgeted receipts for
29 grants, including, but not limited to, categorical funds, reimbursements
30 for wards of the court, short-term borrowings including, but not limited
31 to, registered warrants and tax anticipation notes, interfund loans,

1 insurance settlements, and reimbursements to county government for
2 previous overpayment. The state board shall approve a listing of grants
3 that qualify as special grant funds;

4 ~~(39)~~ (40) State aid means the amount of assistance paid to a
5 district pursuant to the Tax Equity and Educational Opportunities Support
6 Act;

7 ~~(40)~~ (41) State board means the State Board of Education;

8 ~~(41)~~ (42) State support means all funds provided to districts by the
9 State of Nebraska for the general fund support of elementary and
10 secondary education;

11 ~~(42)~~ (43) Statewide average basic funding per formula student means
12 the statewide total basic funding for all districts divided by the
13 statewide total formula students for all districts;

14 ~~(43)~~ (44) Statewide average general fund operating expenditures per
15 formula student means the statewide total general fund operating
16 expenditures for all districts divided by the statewide total formula
17 students for all districts;

18 ~~(44)~~ (45) Teacher has the definition found in section 79-101;

19 ~~(46) Temporary aid adjustment factor means (a) for school fiscal~~
20 ~~years before school fiscal year 2007-08, one and one-fourth percent of~~
21 ~~the sum of the local system's transportation allowance, the local~~
22 ~~system's special receipts allowance, and the product of the local~~
23 ~~system's adjusted formula students multiplied by the average formula cost~~
24 ~~per student in the local system's cost grouping and (b) for school fiscal~~
25 ~~year 2007-08, one and one-fourth percent of the sum of the local system's~~
26 ~~transportation allowance, special receipts allowance, and distance~~
27 ~~education and telecommunications allowance and the product of the local~~
28 ~~system's adjusted formula students multiplied by the average formula cost~~
29 ~~per student in the local system's cost grouping;~~

30 ~~(45)~~ (47) Tuition receipts from converted contracts means tuition
31 receipts received by a district from another district in the most

1 recently available complete data year pursuant to a converted contract
2 prior to the expiration of the contract;

3 ~~(46) (48)~~ Tuitioned students means students in kindergarten through
4 grade twelve of the district whose tuition is paid by the district to
5 some other district or education agency;

6 ~~(47) (49)~~ Unadjusted poverty students means, ~~for school fiscal year~~
7 ~~2016-17 and each school fiscal year thereafter,~~ the greater of the number
8 of low-income students or the free lunch and free milk calculated
9 students in a district; and

10 ~~(48) (50)~~ Very sparse local system means a local system that has:

11 (a)(i) Less than one-half student per square mile in each county in
12 which each high school ~~attendance center~~ is located based on the school
13 district census, (ii) less than one formula student per square mile in
14 the local system, and (iii) more than fifteen miles between the high
15 school ~~attendance center~~ and the next closest high school attendance
16 center on paved roads; or

17 (b)(i) More than four hundred fifty square miles in the local
18 system, (ii) less than one-half student per square mile in the local
19 system, and (iii) more than fifteen miles between each high school
20 ~~attendance center~~ and the next closest high school ~~attendance center~~ on
21 paved roads.

22 Sec. 36. Section 79-1007.11, Revised Statutes Cumulative Supplement,
23 2020, 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 ~~(3) Except as otherwise provided in this section, for school fiscal~~
19 ~~years 2017-18 and 2018-19, each school district's formula need shall~~
20 ~~equal the difference of the sum of the school district's basic funding,~~
21 ~~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 ~~(1) (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 (2) ~~(5)~~ If the formula need calculated for a school district
13 pursuant to subsection ~~subsections~~ (1) ~~through~~ ~~(4)~~ of this section is
14 less than one hundred percent of the formula need for such district for
15 the school fiscal year immediately preceding the school fiscal year for
16 which aid is being calculated, the formula need for such district shall
17 equal one hundred percent of the formula need for such district for the
18 school fiscal year immediately preceding the school fiscal year for which
19 aid is being calculated.

20 (3) ~~(6)~~ If the formula need calculated for a school district
21 pursuant to subsection ~~subsections~~ (1) ~~through~~ ~~(4)~~ of this section is
22 more than one hundred twelve percent of the formula need for such
23 district for the school fiscal year immediately preceding the school
24 fiscal year for which aid is being calculated, the formula need for such
25 district shall equal one hundred twelve percent of the formula need for
26 such district for the school fiscal year immediately preceding the school
27 fiscal year for which aid is being calculated, except that the formula
28 need shall not be reduced pursuant to this subsection for any district
29 receiving a student growth adjustment for the school fiscal year for
30 which aid is being calculated.

31 (4) ~~(7)~~ For purposes of subsections (2) and (3) ~~(5)~~ and ~~(6)~~ of this

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

13 Sec. 37. Section 79-1035, Revised Statutes Cumulative Supplement,
14 2020, is amended to read:

15 79-1035 (1)(a) The State Treasurer shall, ~~each year~~ on or before the
16 ~~third Monday in January 25 of each year~~, make a complete exhibit of all
17 money belonging to the permanent school fund and the temporary school
18 fund as returned to him or her from the several counties, together with
19 the amount derived from other sources, and deliver such exhibit duly
20 certified to the Commissioner of Education and the chairperson of the
21 Education Committee of the Legislature.

22 (b) ~~Through 2021 Beginning in 2016 and each year thereafter~~, the
23 exhibit required in subdivision (1)(a) of this section shall include a
24 separate accounting, not to exceed an amount of ten million dollars, of
25 the income from solar and wind agreements on school lands. The amount of
26 income from solar and wind agreements on school lands shall be used to
27 fund the grants described in section 79-308. The Board of Educational
28 Lands and Funds shall provide the State Treasurer with the information
29 necessary to make the exhibit required by this subsection. Separate
30 accounting shall not be made for income from solar or wind agreements on
31 school lands that exceeds the sum of ten million dollars.

1 (2) On or before February 25 following receipt of the exhibit from
2 the State Treasurer pursuant to subsection (1) of this section, the
3 Commissioner of Education shall make the apportionment of the temporary
4 school fund to each school district as follows: From the whole amount,
5 ~~less the amount of income from solar and wind agreements on school lands,~~
6 there shall be paid to those districts in which there are school or
7 saline lands, which lands are used for a public purpose, an amount in
8 lieu of tax money that would be raised if such lands were taxable, to be
9 fixed in the manner prescribed in section 79-1036; and the remainder
10 shall be apportioned to the districts according to the pro rata
11 enumeration of children who are five through eighteen years of age in
12 each district last returned from the school district. The calculation of
13 apportionment for each school fiscal year shall include any corrections
14 to the prior school fiscal year's apportionment.

15 (3) The Commissioner of Education shall certify the amount of the
16 apportionment of the temporary school fund as provided in subsection (2)
17 of this section to the Director of Administrative Services. The Director
18 of Administrative Services shall draw a warrant on the State Treasurer in
19 favor of the various districts for the respective amounts so certified by
20 the Commissioner of Education.

21 (4) For purposes of this section, agreement means any lease,
22 easement, covenant, or other such contractual arrangement.

23 Sec. 38. Section 79-1065.02, Revised Statutes Cumulative Supplement,
24 2020, is amended to read:

25 79-1065.02 (1) State aid payments pursuant to the Tax Equity and
26 Educational Opportunities Support Act and payments of core services and
27 technology infrastructure funds pursuant to section 79-1241.03 shall be
28 adjusted when property within the boundaries of a school district or
29 educational service unit is transferred to another school district or
30 educational service unit ~~due to a change in school district boundaries~~ in
31 response to annexation of the transferred property by a city or village.

1 ~~(2)(a) For a school district to (2) To~~ qualify for additional state
2 aid pursuant to this section, the school district from which property is
3 being transferred shall apply on a form prescribed by the State
4 Department of Education on or before August 20 preceding the first school
5 fiscal year for which the property will not be available for taxation for
6 the school district's general fund levy. ~~On or before such deadline, the~~
7 ~~applicant school district shall send copies of the application to the~~
8 ~~high school districts of the local systems receiving valuation in the~~
9 ~~transfer. For purposes of this section, property is deemed transferred~~
10 ~~from the school district whether the property was within the boundaries~~
11 ~~of the school district or the property was affiliated with the school~~
12 ~~district.~~

13 (b) For an educational service unit to qualify for additional core
14 services and technology infrastructure funds pursuant to this section,
15 the educational service unit from which property is being transferred
16 shall apply on a form prescribed by the State Department of Education on
17 or before August 20 preceding the first school fiscal year for which the
18 property will not be available for taxation for the educational service
19 unit's general fund levy.

20 ~~(3)(a) (3) Upon receipt of an the application from a school~~
21 district, the department, with the assistance of the Property Tax
22 Administrator, shall calculate the amount of additional state aid, if
23 any, that the local system, as defined in section 79-1003, for the
24 applicant school district would have received for such school fiscal year
25 if the adjusted valuation for the transferred property had not been
26 included in the adjusted valuation of such local system for the
27 calculation of state aid for such school fiscal year. On or before
28 September 20 of such school fiscal year, the department shall certify to
29 the applicant school district the amount of additional state aid, if any,
30 such school ~~the~~ district will receive. Except as otherwise provided in
31 this subdivision ~~subsection~~, if such ~~applicant~~ school district receives a

1 lump-sum payment pursuant to subsection (2) of section 79-1022, such
2 lump-sum payment shall be increased by the amount of additional state
3 aid. Except as otherwise provided in this subdivision ~~subsection~~, if such
4 ~~applicant~~ school district does not receive a lump-sum payment pursuant to
5 ~~such~~ subsection (2) of section 79-1022, state aid payments shall be
6 increased by one-tenth of the amount of additional state aid for each of
7 the ten state aid payments for such school fiscal year. If a portion of
8 the total reduction calculated pursuant to subdivision (4)(a) ~~subsection~~
9 ~~(4)~~ of this section for local systems receiving valuation in the transfer
10 of property that is the subject of the application is delayed until
11 future years, the additional state aid to be paid in the school fiscal
12 year described in subdivision (2)(a) ~~subsection (2)~~ of this section shall
13 be reduced by the amount of the total reduction that is delayed until
14 future years. The amount of the reduction shall be paid as additional aid
15 in the next school fiscal year.

16 (b) Upon receipt of an application from an educational service unit,
17 the department, with the assistance of the Property Tax Administrator,
18 shall calculate the amount of additional core services and technology
19 infrastructure funds, if any, that such educational service unit would
20 have received for such school fiscal year if the adjusted valuation for
21 the transferred property had not been included in the adjusted valuation
22 of such educational service unit for the calculation of core services and
23 technology infrastructure funds for such school fiscal year. On or before
24 September 20 of such school fiscal year, the department shall certify to
25 the applicant educational service unit the amount of additional core
26 services and technology infrastructure funds, if any, such educational
27 service unit will receive. Except as otherwise provided in this
28 subdivision, payments of core services and technology infrastructure
29 funds shall be increased by one-tenth of the amount of any additional
30 core services and technology infrastructure funds for each of the ten
31 payments of core services and technology infrastructure funds for such

1 school fiscal year. If a portion of the total reduction calculated
2 pursuant to subdivision (4)(b) of this section for an educational service
3 unit receiving valuation in the transfer of property that is the subject
4 of the application is delayed until future years, the additional state
5 aid or core services and technology infrastructure funds to be paid to
6 the applicant educational service unit in the school fiscal year
7 described in subdivision (2)(b) of this section shall be reduced by the
8 amount of the total reduction that is delayed until future years. The
9 amount of the reduction shall be paid as additional core services and
10 technology infrastructure funds to such educational service unit in the
11 next school fiscal year.

12 (4)(a) (4) The state aid payments shall be reduced for the high
13 school districts ~~district~~ of each receiving local system. An amount equal
14 to the additional state aid calculated pursuant to subdivision (3)(a)
15 ~~subsection (3)~~ of this section for the local system of an applicant
16 school district shall be attributed to the local systems receiving
17 valuation in such transfer based upon the ratio of the adjusted valuation
18 received by each local system divided by the total adjusted valuation
19 transferred from the applicant school district. For any ~~If such high~~
20 school district of a receiving local system that receives a lump-sum
21 payment pursuant to subsection (2) of section 79-1022, such lump-sum
22 payment shall be reduced by the amount attributed to the receiving local
23 system. For any ~~If the high~~ school district of a receiving local system
24 that does not receive a lump-sum payment pursuant to such ~~subsection (2)~~
25 of section 79-1022, state aid payments shall be reduced by one-tenth of
26 the amount attributed to such receiving local system for each of the ten
27 state aid payments for such school fiscal year. If the total reduction is
28 greater than the total state aid payments for such school fiscal year,
29 the remainder shall be subtracted from state aid payments in future
30 school fiscal years until the total reduction has been subtracted from
31 state aid payments. On or before September 20 of such school fiscal year,

1 the department shall certify to each ~~the high~~ school district of the
2 receiving local system the amount of the reduction in state aid.

3 (b) Core services and technology infrastructure funds shall be
4 reduced for each receiving educational service unit. An amount equal to
5 the additional core services and technology infrastructure funds
6 calculated pursuant to subdivision (3)(b) of this section for the
7 applicant educational service unit shall be attributed to the educational
8 service units receiving valuation in such transfer based upon the ratio
9 of the adjusted valuation received by each educational service unit
10 divided by the total adjusted valuation transferred from the applicant
11 educational service unit. Core services and technology infrastructure
12 funds shall be reduced by one-tenth of the amount attributed to any such
13 receiving educational service unit for each of the ten payments of core
14 services and technology infrastructure funds for such school fiscal year.
15 If the total reduction is greater than the total payments of core
16 services and technology infrastructure funds for any such educational
17 service unit for such school fiscal year, the remainder shall be
18 subtracted from payments of core services and technology infrastructure
19 funds in future school fiscal years until the total reduction has been
20 subtracted from such payments. On or before September 20 of such school
21 fiscal year, the department shall certify to the receiving educational
22 service units the amount of the reduction in core services and technology
23 infrastructure funds.

24 (5) For purposes of the final calculation of state aid for school
25 districts pursuant to section 79-1065, the adjusted valuation of the
26 property that was transferred shall also be transferred for purposes of
27 adjusted valuation for the final calculation of state aid. For
28 determining adjustments in state aid pursuant to section 79-1065, the
29 final calculation of state aid shall be compared to the state aid
30 certified for such school fiscal year combined with any adjustments in
31 state aid payments and transfers from other districts pursuant to this

1 section.

2 Sec. 39. Section 79-1074, Revised Statutes Cumulative Supplement,
3 2020, is amended to read:

4 79-1074 ~~(1)~~—The county clerk of any county in which a part of a
5 ~~joint~~ school district or learning community is located shall, on or
6 before the date prescribed in subsection (1) of section 13-509, certify
7 the taxable valuation of all taxable property of such part of the school
8 ~~joint~~ district or learning community to the clerk of the headquarters
9 county in which the schoolhouse or the administrative office of the
10 school district or learning community is located.

11 ~~(2) The county clerk of any county in which a part of a joint~~
12 ~~affiliated school system or learning community is located shall, on or~~
13 ~~before the date prescribed in subsection (1) of section 13-509, certify~~
14 ~~the taxable valuation of all taxable property of such part of the joint~~
15 ~~affiliated school system or learning community to the clerk of the~~
16 ~~headquarters county in which the schoolhouse or the administrative office~~
17 ~~of the high school district or learning community is located.~~

18 Sec. 40. Section 79-1075, Revised Statutes Cumulative Supplement,
19 2020, is amended to read:

20 79-1075 ~~(1)~~—The county board of the county in which is located the
21 ~~schoolhouse or the administrative office of any joint~~ school district ~~or,~~
22 ~~for years prior to 2017, learning community~~ shall make a levy for the
23 school district ~~or, for years prior to 2017, learning community,~~ as may
24 be necessary, and the county clerk of that headquarters county shall
25 certify the levy, on or before the date prescribed in section 77-1601, to
26 the county clerk of each county in which is situated any portion of the
27 ~~joint~~ school district ~~or learning community~~. This section shall apply to
28 all taxes levied on behalf of school districts, including, but not
29 limited to, taxes authorized by sections 10-304, 10-711, 77-1601, 79-747,
30 79-1084, 79-1085, 79-1086, 79-10,100, 79-10,110, 79-10,110.02, 79-10,118,
31 79-10,120, and 79-10,126.

1 ~~(2) The county board of the county in which is located the~~
2 ~~schoolhouse or the administrative office of the high school district of a~~
3 ~~joint affiliated school system shall make a levy for the joint affiliated~~
4 ~~school system, as may be necessary, and the county clerk of that~~
5 ~~headquarters county shall certify the levy, on or before the date~~
6 ~~prescribed in section 77-1601, to the county clerk of each county in~~
7 ~~which is situated any portion of the joint affiliated school system. This~~
8 ~~section shall apply to all taxes levied on behalf of affiliated school~~
9 ~~systems, including, but not limited to, taxes authorized by sections~~
10 ~~79-10,110 and 79-10,110.02.~~

11 Sec. 41. Section 79-10,119, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-10,119 A ~~Class III, IV, or V~~ school district may purchase,
14 acquire, own, manage, and hold title to real estate for future school
15 sites which at the time of such purchasing or acquiring is outside such
16 school district in a territory not more than three miles beyond the
17 limits of such district but contiguous thereto. Such district shall not
18 erect school buildings on the real estate prior to the inclusion of such
19 real estate within the boundaries of such a school district. If the real
20 estate so acquired adjoins the purchaser's district, the acquisition of
21 the real estate constitutes an annexation of such real estate to the
22 purchaser's district. The intervention of a street, road, or highway
23 between the real estate to be acquired and the purchaser's district does
24 not preclude such real estate from being considered as adjoining the
25 purchaser's district.

26 Sec. 42. Section 79-1201.01, Reissue Revised Statutes of Nebraska,
27 is amended to read:

28 79-1201.01 For purposes of the Educational Service Units Act and
29 section ~~sections 79-1336 and 79-1337:~~

30 (1) Distance education course means a course with at least one
31 student in any of grades kindergarten through twelve who is in a

1 different location than the teacher and taught by a teacher employed by
2 an educational entity utilizing either two-way interactive video or the
3 Internet without two-way interactive video. Distance education course
4 includes a dual-enrollment course with at least one student who is in a
5 different location than the teacher and taught by a teacher employed by
6 an educational entity utilizing either two-way interactive video or the
7 Internet without two-way interactive video;

8 (2) Dual-enrollment course means a course taught to students for
9 credit at both a high school and a postsecondary educational institution;

10 (3) Educational entity means a school district, a private,
11 denominational, or parochial school, an educational service unit, a
12 community college, a state college, the University of Nebraska, or a
13 nonprofit private postsecondary educational institution;

14 (4) Elementary distance education course means a distance education
15 course which is delivered utilizing two-way interactive video to students
16 who are enrolled in any of grades kindergarten through eight;

17 (5) Network Nebraska means the network created pursuant to section
18 86-5,100;

19 (6) Qualified distance education course means a distance education
20 course which meets any applicable rules and regulations of the State
21 Department of Education, is offered for one semester of high school
22 credit or the equivalent, and for which all of the participating
23 educational entities are required to have access to Network Nebraska;

24 (7) Technical training means training to equip educators with
25 knowledge about the skills and tools necessary to infuse technological
26 resources and software applications into the curriculum to be used in
27 classrooms with and by students and includes, but is not limited to,
28 computer workstation troubleshooting, distance education, educational
29 software, Internet resources, local area network management, multimedia
30 presentation tools, and strategic planning;

31 (8) Technology includes technical training and technology

1 infrastructure;

2 (9) Technology infrastructure means hardware-related items necessary
3 for schools to interact electronically throughout the state, including,
4 but not limited to, physical connections, wiring, servers, routers,
5 switches, domain name service, and operating systems and human resources
6 necessary to maintain infrastructure, including, but not limited to,
7 systems engineers, programmers, webmasters, and help desk staff; and

8 (10) Two-way interactive video distance education course means a
9 distance education course in which a teacher delivers instruction to
10 students in a different location than the teacher using two-way
11 interactive video on at least two different days per week during the
12 course.

13 Sec. 43. Section 79-1241.03, Revised Statutes Cumulative Supplement,
14 2020, is amended to read:

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

20 (2)(a) The distance education and telecommunications allowance for
21 each educational service unit shall equal eighty-five percent of the
22 difference of the costs for telecommunications services, for access to
23 data transmission networks that transmit data to and from the educational
24 service unit, and for the transmission of data on such networks paid by
25 the educational service unit as reported on the annual financial report
26 for the most recently available complete data year minus the receipts
27 from the federal Universal Service Fund pursuant to 47 U.S.C. 254, as
28 such section existed on January 1, 2021 ~~2007~~, for the educational service
29 unit as reported on the annual financial report for the most recently
30 available complete data year and minus any receipts from school districts
31 or other educational entities for payment of such costs as reported on

1 the annual financial report of the educational service unit.

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

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

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

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

1 the distribution is being calculated pursuant to this section.

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

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

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

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

1 educational service unit. The adjusted students for each learning
2 community shall equal ten percent of the fall membership for such school
3 fiscal year of the member school districts multiplied by the sparsity
4 adjustment for the learning community.

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

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

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

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

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

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

25 (4) If the minimum needs minus the distance education and
26 telecommunications allowance pursuant to subsection (3) of this section
27 for any educational service unit exceeds the amount that would otherwise
28 be calculated for such educational service unit pursuant to subsection
29 (2) of this section, the statewide student allocation shall be reduced
30 such that the total amount to be distributed pursuant to this section
31 equals the appropriation for core services and technology infrastructure

1 funds and no educational service unit has needs minus the distance
2 education and telecommunications allowance less than the greater of any
3 minimum amounts calculated for such educational service unit pursuant to
4 subsection (3) of this section.

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

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

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

30 (a) Funding for core services and technology infrastructure for each
31 educational service unit consist of both amounts received pursuant to

1 this section and an amount greater than or equal to the product of the
2 adjusted valuation for the educational service unit multiplied by the
3 local effort rate; and

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

11 Sec. 44. Section 79-1337, Revised Statutes Cumulative Supplement,
12 2020, is amended to read:

13 79-1337 (1) For fiscal years 2007-08 through 2023-24 ~~2020-21~~, the
14 State Department of Education shall provide distance education incentives
15 to school districts and educational service units for qualified distance
16 education courses coordinated through the Educational Service Unit
17 Coordinating Council as provided in this section. Through fiscal year
18 2015-16, funding for such distance education incentives shall come from
19 the Education Innovation Fund. For fiscal years 2016-17 through 2023-24
20 ~~2020-21~~, funding for such distance education incentives shall come from
21 the Nebraska Education Improvement Fund.

22 (2) School districts and educational service units shall apply for
23 incentives annually through calendar year 2023 ~~2020~~ to the department on
24 or before August 1 on a form specified by the department. The application
25 shall:

26 (a) For school districts, specify (i) the qualified distance
27 education courses which were received by students in the membership of
28 the district in the then-current school fiscal year and which were not
29 taught by a teacher employed by the school district and (ii) for each
30 such course (A) the number of students in the membership of the district
31 who received the course, (B) the educational entity employing the

1 teacher, and (C) whether the course was a two-way interactive video
2 distance education course; and

3 (b) For school districts and educational service units, specify (i)
4 the qualified distance education courses which were received by students
5 in the membership of another educational entity in the then-current
6 school fiscal year and which were taught by a teacher employed by the
7 school district or educational service unit, (ii) for each such course
8 for school districts, the number of students in the membership of the
9 district who received the course, and (iii) for each such course (A) the
10 other educational entities in which students received the course and how
11 many students received the course at such educational entities, (B) any
12 school district that is sparse or very sparse as such terms are defined
13 in section 79-1003 that had at least one student in the membership who
14 received the course, and (C) whether the course was a two-way interactive
15 video distance education course.

16 (3) On or before September 1 of each year through calendar year 2023
17 ~~2020~~, the department shall certify the incentives for each school
18 district and educational service unit which shall be paid on or before
19 October 1 of such year. The incentives for each district shall be
20 calculated as follows:

21 (a) Each district shall receive distance education units for each
22 qualified distance education course as follows:

23 (i) One distance education unit for each qualified distance
24 education course received as reported pursuant to subdivision (2)(a) of
25 this section if the course was a two-way interactive video distance
26 education course;

27 (ii) One distance education unit for each qualified distance
28 education course sent as reported pursuant to subdivision (2)(b) of this
29 section if the course was not received by at least one student who was in
30 the membership of another school district which was sparse or very
31 sparse;

1 (iii) One distance education unit for each qualified distance
2 education course sent as reported pursuant to subdivision (2)(b) of this
3 section if the course was received by at least one student who was in the
4 membership of another school district which was sparse or very sparse,
5 but the course was not a two-way interactive video distance education
6 course; and

7 (iv) Two distance education units for each qualified distance
8 education course sent as reported pursuant to subdivision (2)(b) of this
9 section if the course was received by at least one student who was in the
10 membership of another school district which was sparse or very sparse and
11 the course was a two-way interactive video distance education course;

12 (b) The difference of the amount available for distribution pursuant
13 to subdivision (4)(f) of section 9-812 in the Nebraska Education
14 Improvement Innovation Fund on the August 1 when the applications were
15 due ~~minus any amount to be paid to school districts pursuant to section~~
16 ~~79-1336~~ shall be divided by the number of distance education units to
17 determine the incentive per distance education unit, except that the
18 incentive per distance education unit shall not equal an amount greater
19 than one thousand dollars; and

20 (c) The incentives for each school district shall equal the number
21 of distance education units calculated for the school district multiplied
22 by the incentive per distance education unit.

23 (4) If there are additional funds available for distribution after
24 ~~equipment reimbursements pursuant to section 79-1336~~ and incentives
25 calculated pursuant to subsections (1) through (3) of this section,
26 school districts and educational service units may qualify for additional
27 incentives for elementary distance education courses. Such incentives
28 shall be calculated for sending and receiving school districts and
29 educational service units as follows:

30 (a) The per-hour incentives shall equal the funds available for
31 distribution after ~~equipment reimbursements pursuant to section 79-1336~~

1 ~~and~~ incentives calculated pursuant to subsections (1) through (3) of this
2 section divided by the sum of the hours of elementary distance education
3 courses sent or received for each school district and educational service
4 unit submitting an application, except that the per-hour incentives shall
5 not be greater than ten dollars; and

6 (b) The elementary distance education incentives for each school
7 district and educational service unit shall equal the per-hour incentive
8 multiplied by the hours of elementary distance education courses sent or
9 received by the school district or educational service unit.

10 (5) The department may verify any or all application information
11 using annual curriculum reports and may request such verification from
12 the council.

13 (6) On or before October 1 of each year through calendar year 2023
14 ~~2020~~, a school district or educational service unit may appeal the denial
15 of incentives for any course by the department to the State Board of
16 Education. The board shall allow a representative of the school district
17 or educational service unit an opportunity to present information
18 concerning the appeal to the board at the November board meeting. If the
19 board finds that the course meets the requirements of this section, the
20 department shall pay the district from the Nebraska Education Improvement
21 ~~Innovation~~ Fund as soon as practical in an amount for which the district
22 or educational service unit should have qualified based on the incentive
23 per distance education unit used in the original certification of
24 incentives pursuant to this section.

25 (7) The State Board of Education shall adopt and promulgate rules
26 and regulations to carry out this section.

27 Sec. 45. Section 79-1605, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-1605 The superintendent of the ~~high~~ school district ~~and its~~
30 ~~affiliated territory~~ in which any private, denominational, or parochial
31 school is located, which school is not otherwise inspected by an area or

1 diocesan representative holding a Nebraska certificate to administer,
2 shall inspect such schools and report to the proper officers any evidence
3 of failure to observe any of the provisions of sections 79-1601 to
4 79-1607. The Commissioner of Education, when in his or her judgment it is
5 deemed advisable, may appoint a public school official other than such
6 superintendent, including a member of the State Department of Education,
7 for such inspections. Such appointee shall hold a Nebraska certificate to
8 administer. The State Board of Education shall require the
9 superintendents and appointed public school officials to make such
10 inspections at least twice a year, and the school officers of such
11 schools and the teachers giving instruction in such schools shall permit
12 such inspection and assist and cooperate in the making of the same.

13 Sec. 46. Section 79-2104.02, Revised Statutes Cumulative Supplement,
14 2020, is amended to read:

15 79-2104.02 Each learning community coordinating council shall use
16 any funds received pursuant to section 79-1241.03 for evaluation of
17 programs related to the community achievement plan developed with the
18 assistance of the student achievement coordinator or other department
19 staff designated by the Commissioner of Education and evaluation and
20 research regarding the progress of the learning community pursuant to
21 plans developed by the learning community coordinating council with
22 assistance from the Educational Service Unit Coordinating Council and
23 adjusted on an ongoing basis. The evaluation regarding the progress of
24 the learning community shall be conducted by one or more other entities
25 or individuals who are not employees of the learning community and shall
26 measure progress toward the goals and objectives of the learning
27 community, which goals and objectives shall include reduction of
28 excessive absenteeism of students in the member school districts of the
29 learning community and closing academic achievement gaps based on
30 socioeconomic status, and the effectiveness of the approaches used by the
31 learning community or pilot project to reach such goals and objectives.

1 Any research conducted pursuant to this section shall also be related to
2 such goals and objectives or programs related to the community
3 achievement plan. Each learning community shall report evaluation and
4 research results electronically to the Education Committee of the
5 Legislature on or before ~~February~~ January 1 of each year.

6 Sec. 47. Section 79-2118, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 79-2118 (1) Each learning community, together with its member school
9 districts, shall develop a diversity plan to provide educational
10 opportunities pursuant to sections 79-769 and 79-2110 in each subcouncil
11 district designed to attract students from diverse backgrounds, which
12 plan may be revised from time to time. The initial diversity plan shall
13 be completed by December 31 of the year the initial learning community
14 coordinating council for the learning community takes office. The goal of
15 the diversity plan shall be to ~~annually~~ increase the socioeconomic
16 diversity of enrollment at each grade level in each school building
17 within the learning community ~~until such enrollment reflects the average~~
18 ~~socioeconomic diversity of the entire enrollment of the learning~~
19 ~~community.~~

20 (2) Each diversity plan for a learning community shall include
21 specific provisions relating to each subcouncil district within such
22 learning community. The specific provisions relating to each subcouncil
23 district shall be approved by both the achievement subcouncil for such
24 district and by the learning community coordinating council.

25 (3) The learning community coordinating council shall report
26 electronically to the Education Committee of the Legislature on or before
27 ~~February~~ January 1 of each odd-numbered year on the diversity and changes
28 in diversity at each grade level in each school building within the
29 learning community and on the academic achievement for different
30 demographic groups in each school building within the learning community.

31 Sec. 48. Section 79-2603, Revised Statutes Cumulative Supplement,

1 2020, is amended to read:

2 79-2603 (1) ~~Each For school year 2019-20 and each school year~~
3 ~~thereafter, each~~ school district shall administer an approved reading
4 assessment three times during the school year to all students in
5 kindergarten through grade three, except for any student receiving
6 specialized instruction for limited English proficiency who has been
7 receiving such instruction for less than two years, any student receiving
8 special education services for whom such assessment would conflict with
9 the individualized education plan, and any student receiving services
10 under a plan pursuant to the requirements of section 504 of the federal
11 Rehabilitation Act of 1973, 29 U.S.C. 794, or Title II of the federal
12 Americans with Disabilities Act of 1990, 42 U.S.C. 12131 to 12165, as
13 such acts and sections existed on January 1, 2021 ~~2018~~, for whom such
14 assessment would conflict with such section 504 or Title II plan. The
15 first administration of such assessment for kindergarten students ~~each~~
16 ~~such school year~~ shall occur within the first forty-five calendar ~~thirty~~
17 days that school is in session of each ~~the school year and for all other~~
18 grades within the first thirty calendar days that school is in session of
19 each school year.

20 (2) For purposes of the Nebraska Reading Improvement Act, an
21 approved reading assessment means an assessment of student reading skills
22 approved by the State Department of Education which:

23 (a) Measures progress toward proficiency in the reading skills
24 assessed pursuant to subsection (5) of section 79-760.03 on the statewide
25 assessment of reading for grade three;

26 (b) Is valid and reliable;

27 (c) Is aligned with academic content standards for reading adopted
28 by either the State Board of Education pursuant to section 79-760.01 or
29 the school district administering such assessment pursuant to section
30 79-760.02;

31 (d) Allows teachers access to results in a reasonable time period as

1 established by the department, not to exceed fifteen contract working
2 days; and

3 (e) Is commercially available and complies with requirements
4 established by the department.

5 (3) On or before March 1, 2019, and on or before each March 1
6 thereafter, the department shall make public the list of approved reading
7 assessments for the subsequent school year and the threshold level of
8 performance for each such assessment. A student performing below the
9 threshold level shall be identified as having a reading deficiency for
10 purposes of the Nebraska Reading Improvement Act.

11 (4) Diagnostic assessments used within a supplemental reading
12 intervention program do not require department approval.

13 Sec. 49. Section 79-2605, Revised Statutes Cumulative Supplement,
14 2020, is amended to read:

15 79-2605 (1) Each school district shall provide a supplemental
16 reading intervention program for the purpose of ensuring that students
17 can read at or above grade level at the end of third grade. School
18 districts may work collaboratively with a reading specialist at the State
19 Department of Education, with educational service units, with learning
20 communities, or through interlocal agreements to develop and provide such
21 supplemental reading intervention programs. Each supplemental reading
22 intervention program shall be:

23 (a) Provided ~~Be provided~~ to any student identified as having a
24 reading deficiency;

25 (b) Implemented ~~Be implemented~~ during regular school hours in
26 addition to regularly scheduled reading instruction unless otherwise
27 agreed to by a parent or guardian; and

28 (c) Made ~~Make~~ available as a summer reading program between each
29 school year ~~summer~~ for any student who has been enrolled in grade one,
30 grade two, or grade three or in a higher grade and is identified as
31 continuing to have a reading deficiency at the conclusion of the school

1 year preceding such summer reading program. Such summer reading program
2 may be (i) held in conjunction with existing summer programs in the
3 school district, (ii) held ~~or~~ in a community reading program not
4 affiliated with the school district, or (iii) may be offered online.

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

6 (a) Reading intervention ~~techniques that are based on scientific~~
7 ~~research and best practices that are evidence-based;~~

8 (b) Diagnostic assessments to identify specific skill-based
9 strengths and weaknesses a student may have;

10 (c) Frequent monitoring of ~~frequently monitor~~ student progress
11 throughout the school year with and ~~adjust~~ instruction adjusted
12 accordingly;

13 (d) ~~(e)~~ Intensive intervention using strategies selected from the
14 following list to match the weaknesses identified in the diagnostic
15 assessment:

16 (i) Development in phonemic awareness, phonics, fluency, vocabulary,
17 and reading comprehension;

18 (ii) Explicit and systematic instruction with detailed explanations,
19 extensive opportunities for guided practice, and opportunities for error
20 corrections and feedback; or

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

24 (e) ~~(d)~~ Strategies and resources to assist with reading skills at
25 home, including parent-training workshops and suggestions for parent-
26 guided home reading; or

27 (f) ~~(e)~~ Access to before-school or after-school supplemental reading
28 intervention with a teacher or tutor who has specialized training in
29 reading intervention.

30 Sec. 50. Section 79-2606, Revised Statutes Cumulative Supplement,
31 2020, is amended to read:

1 79-2606 (1) The school of any student who is identified as having a
2 reading deficiency shall notify such student's parents or guardians
3 either in writing or by electronic communication no later than fifteen
4 working days after the identification of the reading deficiency that the
5 student has been identified as having a reading deficiency and that an
6 individualized ~~individual~~ reading improvement plan will be established
7 and shared with the parents or guardians.

8 (2) Any student who is identified as having a reading deficiency
9 shall receive an individualized ~~individual~~ reading improvement plan,
10 which shall include a supplemental reading intervention program, no later
11 than thirty days after the identification of such reading deficiency. The
12 reading improvement plan may be created by the teacher, the principal,
13 other pertinent school personnel, and the parents or guardians of the
14 student and shall describe the reading intervention services the student
15 will receive through the supplemental reading intervention program
16 pursuant to section 79-2605 to remedy such reading deficiency. Each such
17 student shall receive reading intervention services through the
18 supplemental reading intervention program pursuant to section 79-2605
19 until the student is no longer identified as having a reading deficiency.

20 Sec. 51. Section 84-304, Revised Statutes Cumulative Supplement,
21 2020, is amended to read:

22 84-304 It shall be the duty of the Auditor of Public Accounts:

23 (1) To give information electronically to the Legislature, whenever
24 required, upon any subject relating to the fiscal affairs of the state or
25 with regard to any duty of his or her office;

26 (2) To furnish offices for himself or herself and all fuel, lights,
27 books, blanks, forms, paper, and stationery required for the proper
28 discharge of the duties of his or her office;

29 (3)(a) To examine or cause to be examined, at such time as he or she
30 shall determine, books, accounts, vouchers, records, and expenditures of
31 all state officers, state bureaus, state boards, state commissioners, the

1 state library, societies and associations supported by the state, state
2 institutions, state colleges, and the University of Nebraska, except when
3 required to be performed by other officers or persons. Such examinations
4 shall be done in accordance with generally accepted government auditing
5 standards for financial audits and attestation engagements set forth in
6 Government Auditing Standards (2011 Revision for audit periods ending
7 before June 30, 2020, or 2018 Revision for audit periods ending on or
8 after June 30, 2020), published by the Comptroller General of the United
9 States, Government Accountability Office, and except as provided in
10 subdivision (11) ~~(10)~~ of this section, subdivision (16) of section
11 50-1205, and section 84-322, shall not include performance audits,
12 whether conducted pursuant to attestation engagements or performance
13 audit standards as set forth in Government Auditing Standards (2018
14 Revision), published by the Comptroller General of the United States,
15 Government Accountability Office.

16 (b) Any entity, excluding the state colleges and the University of
17 Nebraska, that is audited or examined pursuant to subdivision (3)(a) of
18 this section and that is the subject of a comment and recommendation in a
19 management letter or report issued by the Auditor of Public Accounts
20 shall, on or before six months after the issuance of such letter or
21 report, provide to the Auditor of Public Accounts a detailed written
22 description of any corrective action taken or to be taken in response to
23 the comment and recommendation. The Auditor of Public Accounts may
24 investigate and evaluate the corrective action. The Auditor of Public
25 Accounts shall then electronically submit a report of any findings of
26 such investigation and evaluation to the Governor, the appropriate
27 standing committee of the Legislature, and the Appropriations Committee
28 of the Legislature. The Auditor of Public Accounts shall also ensure that
29 the report is delivered to the Appropriations Committee for entry into
30 the record during the committee's budget hearing process;

31 (4)(a) To examine or cause to be examined, at the expense of the

1 political subdivision, when the Auditor of Public Accounts determines
2 such examination necessary or when requested by the political
3 subdivision, the books, accounts, vouchers, records, and expenditures of
4 any agricultural association formed under Chapter 2, article 20, any
5 county agricultural society, any joint airport authority formed under the
6 Joint Airport Authorities Act, any city or county airport authority, any
7 bridge commission created pursuant to section 39-868, any cemetery
8 district, any community redevelopment authority or limited community
9 redevelopment authority established under the Community Development Law,
10 any development district, any drainage district, any health district, any
11 local public health department as defined in section 71-1626, any
12 historical society, any hospital authority or district, any county
13 hospital, any housing agency as defined in section 71-1575, any
14 irrigation district, any county or municipal library, any community
15 mental health center, any railroad transportation safety district, any
16 rural water district, any township, Wyuka Cemetery, the Educational
17 Service Unit Coordinating Council, any entity created pursuant to the
18 Interlocal Cooperation Act, any educational service unit, any village,
19 any service contractor or subrecipient of state or federal funds, any
20 political subdivision with the authority to levy a property tax or a
21 toll, or any entity created pursuant to the Joint Public Agency Act.

22 For purposes of this subdivision, service contractor or subrecipient
23 means any nonprofit entity that expends state or federal funds to carry
24 out a state or federal program or function, but it does not include an
25 individual who is a direct beneficiary of such a program or function or a
26 licensed health care provider or facility receiving direct payment for
27 medical services provided for a specific individual.

28 (b) The Auditor of Public Accounts may waive the audit requirement
29 of subdivision (4)(a) of this section upon the submission by the
30 political subdivision of a written request in a form prescribed by the
31 auditor. The auditor shall notify the political subdivision in writing of

1 the approval or denial of the request for a waiver.

2 (c) Through December 31, 2017, the Auditor of Public Accounts may
3 conduct audits under this subdivision for purposes of sections 2-3228,
4 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 16-1017, 16-1037, 19-3501,
5 23-1118, 23-3526, 71-1631.02, and 79-987.

6 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may
7 conduct audits under this subdivision for purposes of sections 13-2402,
8 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 18-814,
9 71-1631.02, and 79-987 and shall prescribe the form for the annual
10 reports required in each of such sections. Such annual reports shall be
11 published annually on the web site of the Auditor of Public Accounts;

12 (5) To report promptly to the Governor and the appropriate standing
13 committee of the Legislature the fiscal condition shown by such
14 examinations conducted by the auditor, including any irregularities or
15 misconduct of officers or employees, any misappropriation or misuse of
16 public funds or property, and any improper system or method of
17 bookkeeping or condition of accounts. The report submitted to the
18 committee shall be submitted electronically. In addition, if, in the
19 normal course of conducting an audit in accordance with subdivision (3)
20 of this section, the auditor discovers any potential problems related to
21 the effectiveness, efficiency, or performance of state programs, he or
22 she shall immediately report them electronically to the Legislative
23 Performance Audit Committee which may investigate the issue further,
24 report it electronically to the appropriate standing committee of the
25 Legislature, or both;

26 (6)(a) To examine or cause to be examined the books, accounts,
27 vouchers, records, and expenditures of a fire protection district. The
28 expense of the examination shall be paid by the political subdivision.

29 (b) Whenever the expenditures of a fire protection district are one
30 hundred fifty thousand dollars or less per fiscal year, the fire
31 protection district shall be audited no more than once every five years

1 except as directed by the board of directors of the fire protection
2 district or unless the auditor receives a verifiable report from a third
3 party indicating any irregularities or misconduct of officers or
4 employees of the fire protection district, any misappropriation or misuse
5 of public funds or property, or any improper system or method of
6 bookkeeping or condition of accounts of the fire protection district. In
7 the absence of such a report, the auditor may waive the five-year audit
8 requirement upon the submission of a written request by the fire
9 protection district in a form prescribed by the auditor. The auditor
10 shall notify the fire protection district in writing of the approval or
11 denial of a request for waiver of the five-year audit requirement. Upon
12 approval of the request for waiver of the five-year audit requirement, a
13 new five-year audit period shall begin.

14 (c) Whenever the expenditures of a fire protection district exceed
15 one hundred fifty thousand dollars in a fiscal year, the auditor may
16 waive the audit requirement upon the submission of a written request by
17 the fire protection district in a form prescribed by the auditor. The
18 auditor shall notify the fire protection district in writing of the
19 approval or denial of a request for waiver. Upon approval of the request
20 for waiver, a new five-year audit period shall begin for the fire
21 protection district if its expenditures are one hundred fifty thousand
22 dollars or less per fiscal year in subsequent years;

23 (7) To appoint two or more assistant deputies (a) whose entire time
24 shall be devoted to the service of the state as directed by the auditor,
25 (b) who shall be certified public accountants with at least five years'
26 experience, (c) who shall be selected without regard to party affiliation
27 or to place of residence at the time of appointment, (d) who shall
28 promptly report to the auditor the fiscal condition shown by each
29 examination, including any irregularities or misconduct of officers or
30 employees, any misappropriation or misuse of public funds or property,
31 and any improper system or method of bookkeeping or condition of

1 accounts, and it shall be the duty of the auditor to file promptly with
2 the Governor a duplicate of such report, and (e) who shall qualify by
3 taking an oath which shall be filed in the office of the Secretary of
4 State;

5 (8) To conduct audits and related activities for state agencies,
6 political subdivisions of this state, or grantees of federal funds
7 disbursed by a receiving agency on a contractual or other basis for
8 reimbursement to assure proper accounting by all such agencies, political
9 subdivisions, and grantees for funds appropriated by the Legislature and
10 federal funds disbursed by any receiving agency. The auditor may contract
11 with any political subdivision to perform the audit of such political
12 subdivision required by or provided for in section 23-1608 or 79-1229 or
13 this section and charge the political subdivision for conducting the
14 audit. The fees charged by the auditor for conducting audits on a
15 contractual basis shall be in an amount sufficient to pay the cost of the
16 audit. The fees remitted to the auditor for such audits and services
17 shall be deposited in the Auditor of Public Accounts Cash Fund;

18 (9)(a) To examine or cause to be examined the books, accounts,
19 vouchers, and records related to any money transferred pursuant to
20 subsection (4) of section 9-812, any fund receiving any such transfer, or
21 any subsequent transfer or expenditure of such money when the Auditor of
22 Public Accounts determines such examination necessary or when requested
23 by (i) any department or agency receiving any such transfer or acting as
24 the administrator for a fund receiving any such transfer, (ii) any
25 recipient or subsequent recipient of money disbursed from any such fund,
26 or (iii) any service contractor responsible for managing, on behalf of
27 any entity, any portion of any such fund or any money disbursed from any
28 such fund.

29 (b) Any examination pursuant to subdivision (9)(a) of this section
30 shall be made at the expense of the department or agency, recipient or
31 subsequent recipient, or service contractor whose books, accounts,

1 vouchers, or records are being examined.

2 (c) For purposes of this subdivision, recipient, subsequent
3 recipient, or service contractor means a nonprofit entity that expends
4 funds transferred pursuant to subsection (4) of section 9-812 to carry
5 out a state program or function, but does not include an individual who
6 is a direct beneficiary of such a program or function.

7 (d) The Auditor of Public Accounts shall prescribe the form for the
8 annual reports required in subsection (5) of section 9-812. Such annual
9 reports shall be published on the web site of the Auditor of Public
10 Accounts;

11 (10) (9) To develop and maintain an annual budget and actual
12 financial information reporting system for political subdivisions that is
13 accessible online by the public;

14 (11) (10) When authorized, to conduct joint audits with the
15 Legislative Performance Audit Committee as described in section 50-1205;

16 (12) (11) Unless otherwise specifically provided, to assess the
17 interest rate on delinquent payments of any fees for audits and services
18 owing to the Auditor of Public Accounts at a rate of fourteen percent per
19 annum from the date of billing unless paid within thirty days after the
20 date of billing. For an entity created pursuant to the Interlocal
21 Cooperation Act or the Joint Public Agency Act, any participating public
22 agencies shall be jointly and severally liable for the fees and interest
23 owed if such entity is defunct or unable to pay; and

24 (13) (12) In consultation with statewide associations representing
25 (a) counties and (b) cities and villages, to approve annual continuing
26 education programs for county treasurers, city treasurers, and village
27 treasurers as required by sections 14-553, 15-317, 16-318, 17-606, and
28 23-1601. The cost of attending such programs shall be at the expense of
29 the county, city, or village. The auditor shall maintain records of
30 program attendance and notify each county board, city council, or village
31 board of trustees if its treasurer has not completed such program

1 attendance. The auditor shall inform the Attorney General and the county
2 attorney of the county in which a treasurer is located if such treasurer
3 has not completed a required annual continuing education program.

4 Sec. 52. Section 85-505, Revised Statutes Cumulative Supplement,
5 2020, is amended to read:

6 85-505 Any member of the Nebraska National Guard who enrolls in any
7 state-supported university, college, or community college or any
8 independent, not-for-profit, ~~regionally~~ accredited college or university
9 in this state shall be entitled to a credit of one hundred percent of the
10 resident tuition charges of such school for a diploma, certificate,
11 associate degree, or baccalaureate degree program or fifty percent of the
12 resident tuition charges of such school for a graduate or professional
13 degree program, except that any member who attends an independent, not-
14 for-profit, ~~regionally~~ accredited college or university in this state
15 shall receive a credit in an amount no higher than such member would
16 receive if attending the University of Nebraska-Lincoln. Such entitlement
17 shall be for a period of ten years from the date of the member's initial
18 membership so long as the member maintains satisfactory performance with
19 the guard and pursues a course of study in such institution in a manner
20 which satisfies the normal requirements of the institution. If a member
21 is unable to complete the course of study within the ten-year period due
22 to deployment on federal or state active-duty status for not less than
23 one hundred twenty days, the Adjutant General may extend the entitlement
24 period for such member for a period equal to the period of such person's
25 active-duty status, not to exceed a maximum of five years. During the
26 extended entitlement period, the member shall be subject to all remaining
27 conditions and limitations of the tuition assistance program prescribed
28 in sections 85-505 to 85-508. The number of individuals granted tuition
29 credit shall not exceed the number specified in section 85-505.01 during
30 any fiscal year, and the amount of tuition credits granted shall not
31 exceed nine hundred thousand dollars during any fiscal year. When

1 determining to whom such tuition credit shall be awarded, priority shall
2 be given to those individuals who have previously received tuition
3 credits while a National Guard member, and the Nebraska National Guard
4 shall apply those program qualifications and limitations consistent with
5 efficient and effective program management as determined by the Adjutant
6 General.

7 Sec. 53. Section 85-507, Revised Statutes Cumulative Supplement,
8 2020, is amended to read:

9 85-507 The spouse and children of any member of the Nebraska
10 National Guard who dies while serving in the active service of the state
11 shall be entitled to a credit of one hundred percent of the tuition
12 charges in any state-supported university, college, or community college
13 or any independent, not-for-profit, ~~regionally~~ accredited college or
14 university in this state, except that any spouse or child who attends an
15 independent, not-for-profit, ~~regionally~~ accredited college or university
16 in this state shall receive a credit in an amount no higher than that
17 spouse or child would receive if attending the University of Nebraska-
18 Lincoln. Such tuition credit shall be for any undergraduate course of
19 education not exceeding four years, except that no credit shall be
20 granted to the spouse after the tenth anniversary of the member's death
21 and no credit shall be granted to a child after such child's twenty-fifth
22 birthday. All persons eligible for tuition credit under this section
23 shall obtain a certificate of eligibility from the Adjutant General of
24 the Nebraska National Guard and present such certificate to the
25 educational institution.

26 Sec. 54. Section 85-1609, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 85-1609 Accreditation by ~~national or regional~~ accrediting agencies
29 recognized by the United States Department of Education such as the
30 Association of Independent Colleges and Schools, the Accrediting Council
31 for Continuing Education and Training, the National Accrediting

1 Association of Cosmetology Arts and Sciences, or the National Association
2 of Trade and Technical Schools may be accepted by the department as
3 evidence of compliance with the minimum standards established pursuant to
4 sections 85-1606 and 85-1608. Accreditation by a recognized, specialized
5 accrediting agency such as the Council on Medical Education of the
6 American Medical Association, the Commission on Accreditation of the
7 American Dental Association, or the American Veterinary Medical
8 Association may be accepted as evidence of such compliance only as to the
9 portion or program of a school accredited by such agency if the school as
10 a whole is not accredited.

11 Sec. 55. Section 85-1802, Revised Statutes Cumulative Supplement,
12 2020, is amended to read:

13 85-1802 For purposes of sections 85-1801 to 85-1817:

14 (1) Administrative fund means the College Savings Plan
15 Administrative Fund created in section 85-1807;

16 (2) Beneficiary means the individual designated by a participation
17 agreement to benefit from advance payments of qualified higher education
18 expenses on behalf of the beneficiary;

19 (3) Benefits means the payment of qualified higher education
20 expenses on behalf of a beneficiary by the Nebraska educational savings
21 plan trust during the beneficiary's attendance at an eligible educational
22 institution;

23 (4) Eligible educational institution means an institution described
24 in 20 U.S.C. 1088 which is eligible to participate in a program under
25 Title IV of the federal Higher Education Act of 1965;

26 (5) Expense fund means the College Savings Plan Expense Fund created
27 in section 85-1807;

28 (6) Nebraska educational savings plan trust means the trust created
29 in section 85-1804;

30 (7) Nonqualified withdrawal refers to (a) a distribution from an
31 account to the extent it is not used to pay the qualified higher

1 education expenses of the beneficiary, (b) a qualified rollover permitted
2 by section 529 of the Internal Revenue Code where the funds are
3 transferred to a qualified tuition program sponsored by another state or
4 entity, or (c) a distribution from an account to pay the costs of
5 attending kindergarten through grade twelve;

6 (8) Participant or account owner means an individual, an
7 individual's legal representative, or any other legal entity authorized
8 to establish a savings account under section 529 of the Internal Revenue
9 Code who has entered into a participation agreement for the advance
10 payment of qualified higher education expenses on behalf of a
11 beneficiary. For purposes of section 77-2716, as to contributions by a
12 custodian to a custodial account established pursuant to the Nebraska
13 Uniform Transfers to Minors Act or similar law in another state, which
14 account has been established under a participation agreement, participant
15 includes the parent or guardian of a minor, which parent or guardian is
16 also the custodian of the account;

17 (9) Participation agreement means an agreement between a participant
18 and the Nebraska educational savings plan trust entered into under
19 sections 85-1801 to 85-1817;

20 (10) Program fund means the College Savings Plan Program Fund
21 created in section 85-1807;

22 (11) Qualified higher education expenses means the certified costs
23 of tuition and fees, books, supplies, and equipment required for
24 enrollment or attendance at an eligible educational institution.
25 Reasonable room and board expenses, based on the minimum amount
26 applicable for the eligible educational institution during the period of
27 enrollment, shall be included as qualified higher education expenses for
28 those students enrolled on at least a half-time basis. In the case of a
29 special needs beneficiary, expenses for special needs services incurred
30 in connection with enrollment or attendance at an eligible educational
31 institution shall be included as qualified higher education expenses.

1 Expenses paid or incurred on or after January 1, 2022, in 2009 or 2010
2 for the purchase of computer technology or equipment or Internet access
3 and related services, subject to the limitations set forth in section 529
4 of the Internal Revenue Code, shall be included as qualified higher
5 education expenses. Qualified higher education expenses does not include
6 any amounts in excess of those allowed by section 529 of the Internal
7 Revenue Code;

8 (12) Section 529 of the Internal Revenue Code means such section of
9 the code and the regulations interpreting such section; and

10 (13) Tuition and fees means the quarter or semester charges imposed
11 to attend an eligible educational institution.

12 Sec. 56. Section 85-1920, Revised Statutes Cumulative Supplement,
13 2020, is amended to read:

14 85-1920 The Nebraska Opportunity Grant Fund is created. Money in the
15 fund shall include amounts transferred from the State Lottery Operation
16 Trust Fund pursuant to section 9-812 until June 30, 2016, or the Nebraska
17 Education Improvement Fund pursuant to section 9-812 until June 30, 2024
18 ~~2021~~. All amounts accruing to the Nebraska Opportunity Grant Fund shall
19 be used to carry out the Nebraska Opportunity Grant Act. Any money in the
20 fund available for investment shall be invested by the state investment
21 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
22 State Funds Investment Act.

23 ~~The Nebraska Opportunity Grant Fund terminates on June 30, 2021. Any~~
24 ~~money in the fund on such date shall be transferred to the Nebraska~~
25 ~~Education Improvement Fund on such date.~~

26 Sec. 57. Section 85-2002, Revised Statutes Cumulative Supplement,
27 2020, is amended to read:

28 85-2002 For purposes of the Community College Gap Assistance Program
29 Act:

30 (1) Accredited college means a not-for-profit, two-year
31 postsecondary institution with a physical presence in this state that has

1 been accredited by an accrediting agency recognized by the United States
2 Department of Education to provide institutional accreditation for degree
3 granting institutions;

4 (2) ~~(1)~~ Committee means the Nebraska Community College Student
5 Performance and Occupational Education Grant Committee;

6 (3) ~~(2)~~ Community college gap assistance program means the program
7 created pursuant to section 85-2003;

8 (4) ~~(3)~~ Eligible program means a program offered by a community
9 college or other eligible institution that (a) either (i) is not offered
10 for credit and has a duration of not less than sixteen contact hours in
11 length or (ii) is offered for credit but is of insufficient clock,
12 semester, or quarter hours to be eligible for Federal Pell Grants, (b) is
13 aligned with training programs with stackable credentials that lead to a
14 program awarding college credit, an associate's degree, a diploma, or a
15 certificate in an in-demand occupation, and (c) does any of the
16 following:

- 17 (i) Offers a state, national, or locally recognized certificate;
18 (ii) Offers preparation for a professional examination or licensure;
19 (iii) Provides endorsement for an existing credential or license;
20 (iv) Represents recognized skill standards defined by an industrial
21 sector; or

22 (v) Offers a similar credential or training;~~and~~

23 (5) ~~(4)~~ In-demand occupation means:

- 24 (a) Financial services;
25 (b) Transportation, warehousing, and distribution logistics;
26 (c) Precision metals manufacturing;
27 (d) Biosciences;
28 (e) Renewable energy;
29 (f) Agriculture and food processing;
30 (g) Business management and administrative services;
31 (h) Software and computer services;

- 1 (i) Research, development, and engineering services;
- 2 (j) Health services;
- 3 (k) Hospitality and tourism; and
- 4 (l) Any other industry designated as an in-demand occupation by the

5 committee; and -

6 (6) Other eligible institution means an accredited college with
7 which the Coordinating Commission for Postsecondary Education has a
8 contract pursuant to subsection (4) of section 85-2010.

9 Sec. 58. Section 85-2003, Revised Statutes Cumulative Supplement,
10 2020, is amended to read:

11 85-2003 (1) The community college gap assistance program is created.
12 The program shall be under the direction of the committee and shall be
13 administered by the Coordinating Commission for Postsecondary Education.
14 The purpose of the community college gap assistance program is to provide
15 ~~funding to community colleges to award~~ community college gap assistance
16 to students in eligible programs.

17 (2) To be eligible for community college gap assistance under the
18 community college gap assistance program, an applicant:

19 (a) Shall have a family income which is at or below two hundred
20 fifty percent of Office of Management and Budget income poverty
21 guidelines; and

22 (b) Shall be a resident of Nebraska as provided in section 85-502.

23 (3) Eligibility for such tuition assistance shall not be construed
24 to guarantee enrollment in any eligible program.

25 Sec. 59. Section 85-2004, Revised Statutes Cumulative Supplement,
26 2020, is amended to read:

27 85-2004 Application for community college gap assistance under the
28 community college gap assistance program shall be made to the community
29 college or other eligible institution in which the applicant is enrolled
30 or intends to enroll. An application shall be valid for six months from
31 the date of signature on the application. The applicant shall provide

1 documentation of all sources of income. An applicant shall not receive
2 community college gap assistance for more than one eligible program.

3 Sec. 60. Section 85-2005, Revised Statutes Cumulative Supplement,
4 2020, is amended to read:

5 85-2005 (1) An applicant for community college gap assistance under
6 the community college gap assistance program shall demonstrate capacity
7 to achieve the following outcomes:

8 (a) The ability to be accepted to and complete an eligible program;

9 (b) The ability to be accepted into and complete a postsecondary
10 certificate, diploma, or degree program for credit;

11 (c) The ability to obtain full-time employment; and

12 (d) The ability to maintain full-time employment over time.

13 (2) The committee may grant community college gap assistance under
14 the community college gap assistance program to an applicant in any
15 amount up to the full amount of eligible costs.

16 (3) The committee shall deny an application when the community
17 college or other eligible institution receiving the application
18 determines that funding for an applicant's participation in an eligible
19 program is available from any other public or private funding source.

20 Sec. 61. Section 85-2007, Revised Statutes Cumulative Supplement,
21 2020, is amended to read:

22 85-2007 An applicant for community college gap assistance under the
23 community college gap assistance program shall complete an initial
24 assessment administered by the community college or other eligible
25 institution receiving the application to determine the applicant's
26 readiness to complete an eligible program. The initial assessment shall
27 include any assessments required by the eligible program.

28 Sec. 62. Section 85-2008, Revised Statutes Cumulative Supplement,
29 2020, is amended to read:

30 85-2008 (1) A recipient of community college gap assistance under
31 the community college gap assistance program shall:

1 (a) Maintain regular contact with faculty of the eligible program to
2 document the applicant's progress in the program;

3 (b) Sign any necessary releases to provide relevant information to
4 ~~community college faculty or case managers or faculty of the community~~
5 college or other eligible institution, if applicable;

6 (c) Discuss with faculty of the eligible program any issues that may
7 affect the recipient's ability to complete the eligible program and
8 obtain and maintain employment;

9 (d) Attend all required courses regularly; and

10 (e) Meet with faculty of the eligible program to develop a job-
11 search plan.

12 (2) A community college or other eligible institution may terminate
13 community college gap assistance under the community college gap
14 assistance program for a recipient who fails to meet the requirements of
15 this section.

16 Sec. 63. Section 85-2009, Revised Statutes Cumulative Supplement,
17 2020, is amended to read:

18 85-2009 (1) The Community College Gap Assistance Program Fund is
19 created. The fund shall be under the direction of the committee and shall
20 be administered by the Coordinating Commission for Postsecondary
21 Education. The fund shall consist of money received pursuant to section
22 9-812, any other money received by the state in the form of grants or
23 gifts from nonfederal sources, such other amounts as may be transferred
24 or otherwise accrue to the fund, and any investment income earned on the
25 fund. The fund shall be used to carry out the community college gap
26 assistance program ~~provide aid or grants to the community colleges~~
27 pursuant to the Community College Gap Assistance Program Act. Any money
28 in the fund available for investment shall be invested by the state
29 investment officer pursuant to the Nebraska Capital Expansion Act and the
30 Nebraska State Funds Investment Act.

31 ~~(2) The total of community college gap assistance awarded from the~~

1 ~~Community College Gap Assistance Program Fund during any fiscal year~~
2 ~~shall not exceed one million five hundred thousand dollars.~~

3 (2) In addition to community college gap assistance awarded to
4 students, money ~~(3) Money~~ in the fund may also be used by the committee:

5 (a) To establish application and funding procedures; and

6 (b) To assist other eligible institutions as specified in contracts
7 entered into pursuant to subsection (4) of section 85-2010 in defraying
8 the costs of direct staff support services, including, but not limited
9 to, marketing, outreach, applications, interviews, and assessments
10 related to the community college gap assistance program.

11 (3) Each community college may use up to ten percent of any money
12 received from the fund to defray ~~(b) To assist community colleges in~~
13 ~~defraying~~ the costs of direct staff support services, including, but not
14 limited to, marketing, outreach, applications, interviews, and
15 assessments as follows: ~~(i) Up to twenty percent of any amount allocated~~
16 ~~for such purposes to the two smallest community colleges; (ii) up to ten~~
17 ~~percent of any such amount to the two largest community colleges; and~~
18 ~~(iii) up to fifteen percent of any such amount to the remaining two~~
19 ~~community colleges. For purposes of this subsection, community college~~
20 ~~size shall be determined based on the most recent three-year rolling~~
21 ~~average full-time equivalent enrollment.~~

22 Sec. 64. Section 85-2010, Revised Statutes Cumulative Supplement,
23 2020, is amended to read:

24 85-2010 (1) The committee shall develop a common applicant tracking
25 system for the community college gap assistance program that shall be
26 implemented consistently by each participating community college and
27 other eligible institution.

28 (2) The committee shall coordinate statewide oversight, evaluation,
29 and reporting efforts for the community college gap assistance program.

30 (3) The committee shall meet at least quarterly to evaluate and
31 monitor the performance of the community college gap assistance program

1 to determine if performance measures are being met and shall take
2 necessary steps to correct any deficiencies. Performance measures
3 include, but are not limited to, eligible program completion rates, job
4 attainment rates, and continuing education rates.

5 (4) With committee approval, the Coordinating Commission for
6 Postsecondary Education may contract with an accredited college to be an
7 other eligible institution and administer the community college gap
8 assistance program for applicants enrolled in or intending to enroll in
9 an eligible program offered by such college.

10 Sec. 65. Section 85-2104, Revised Statutes Cumulative Supplement,
11 2020, is amended to read:

12 85-2104 Applications for the Access College Early Scholarship
13 Program shall be prioritized for students qualifying pursuant to
14 subdivision (1) or (2) of this section, and applications for students
15 qualifying only pursuant to subdivision (3) of this section shall only be
16 considered if funds are available after fulfilling the applications for
17 students qualifying pursuant to subdivision (1) or (2) of this section.
18 Priority dates shall be determined by the commission on a term basis. The
19 Commissioner of Education may verify eligibility for a student described
20 in subdivision (1)(c) of this section when requested by the commission. A
21 student who is applying to take one or more courses for credit from a
22 qualified postsecondary educational institution is eligible for the
23 Access College Early Scholarship Program if:

24 (1) Such student or the student's parent or legal guardian is
25 eligible to receive:

26 (a) Supplemental Security Income;

27 (b) Supplemental Nutrition Assistance Program benefits;

28 (c) Free or reduced-price lunches under United States Department of
29 Agriculture child nutrition programs;

30 (d) Aid to families with dependent children; or

31 (e) Assistance under the Special Supplemental Nutrition Program for

1 Women, Infants, and Children;

2 (2) The student or the student's parent or legal guardian has
3 experienced an extreme hardship; or

4 (3) Such student is requesting assistance pursuant to the program to
5 cover the cost of tuition and fees for a course that is part of a career
6 plan of study, up to two hundred fifty dollars per term, and the
7 student's family has an annual household income at or below two hundred
8 percent of the federal poverty level.

9 Sec. 66. Section 85-2802, Revised Statutes Cumulative Supplement,
10 2020, is amended to read:

11 85-2802 For purposes of the Meadowlark Act:

12 (1) Contribution means a donation which is made for the purpose of
13 providing a source of funding for the Meadowlark Program established in
14 section 85-2804;

15 (2) (1) Eligible educational institution has the same meaning as in
16 section 85-1802;

17 (3) (2) Nebraska educational savings plan trust has the same meaning
18 as in section 85-1802;

19 (4) (3) Qualified higher education expenses has the same meaning as
20 in section 85-1802; and

21 (5) (4) Qualified individual means an individual born on or after
22 January 1, 2020, who is a resident of this state at the time of birth. ÷
23 and

24 ~~(5) Qualified private contribution means a contribution from an~~
25 ~~individual or private entity which is made for the purpose of providing a~~
26 ~~source of funding for the Meadowlark Program established in section~~
27 ~~85-2804.~~

28 Sec. 67. Section 85-2803, Revised Statutes Cumulative Supplement,
29 2020, is amended to read:

30 85-2803 (1) There is hereby established in the state treasury a
31 trust fund to be known as the Meadowlark Endowment Fund. The fund shall

1 be administered by the State Treasurer and shall consist of qualified
2 private contributions and any amounts appropriated or transferred to the
3 fund by the Legislature. No General Funds shall be transferred to the
4 Meadowlark Endowment Fund. Any money in the fund available for investment
5 shall be invested by the state investment officer pursuant to the
6 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
7 Act. No portion of the principal of the fund shall be expended for any
8 purpose except investment pursuant to this subsection.

9 (2) The State Treasurer may accept ~~qualified private~~ contributions
10 and shall credit all such contributions received either to the Meadowlark
11 Endowment Fund or to accounts opened under the Meadowlark Program, at the
12 direction of the donor. Such contributions shall not be used to pay
13 expenses associated with attending kindergarten through grade twelve.

14 (3) On or before April 1 of each year, the State Treasurer shall
15 determine the total amount of ~~qualified private~~ contributions received
16 under subsection (2) of this section in the previous calendar year and
17 shall transfer an equal amount from the College Savings Plan Expense Fund
18 or the Unclaimed Property Escheat Trust Fund, as determined by the State
19 Treasurer, to the Meadowlark Endowment Fund or to accounts opened under
20 the Meadowlark Program. For any amount transferred from the College
21 Savings Plan Expense Fund or the Unclaimed Property Escheat Trust Fund
22 that is not being transferred to the Meadowlark Endowment Fund, the State
23 Treasurer shall evenly distribute such amount to the accounts opened
24 under the Meadowlark Program in the previous calendar year.

25 Sec. 68. Beginning with the 2022-23 school year, each school board
26 shall require that the telephone number for a national suicide prevention
27 hotline, a local suicide prevention hotline, or a crisis text line is
28 printed on each new student identification card issued to a student
29 enrolled in a middle school grade or a high school grade, as defined by
30 such school board, in a school under the authority of such school board.
31 Nothing in this section shall be construed to require the issuance of

1 student identification cards to students in any school.

2 Sec. 69. Beginning with the 2022-23 academic year, each public
3 postsecondary institution authorized to operate in this state shall
4 require that the telephone number for a national suicide prevention
5 hotline, a local suicide prevention hotline, or a crisis text line is
6 printed on each new student identification card issued to a student
7 enrolled in such public postsecondary institution. Nothing in this
8 section shall be construed to require the issuance of student
9 identification cards to students in any postsecondary institution.

10 Sec. 70. Sections 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,
11 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33, 35, 36,
12 37, 38, 39, 40, 41, 43, 45, 46, 47, 48, 49, 50, 52, 53, 54, 55, 57, 58,
13 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 72, and 74 of this act become
14 operative three calendar months after the adjournment of this legislative
15 session. The other sections of this act become operative on their
16 effective date.

17 Sec. 71. Original section 79-1201.01, Reissue Revised Statutes of
18 Nebraska, and sections 9-812, 9-836.01, 79-759, 79-8,137.05, 79-1337,
19 84-304, and 85-1920, Revised Statutes Cumulative Supplement, 2020, are
20 repealed.

21 Sec. 72. Original sections 38-316, 38-10,109, 38-2613, 38-2616,
22 38-3106, 72-232, 72-233, 72-234, 72-235, 76-2203.01, 77-2704.12, 79-202,
23 79-422, 79-433, 79-449, 79-8,133, 79-10,119, 79-1605, 79-2118, and
24 85-1609, Reissue Revised Statutes of Nebraska, and sections 1-116,
25 13-506, 38-1813, 58-809, 77-1601.02, 77-27,119, 79-308, 79-309.01,
26 79-611, 79-8,137.01, 79-1003, 79-1007.11, 79-1035, 79-1065.02, 79-1074,
27 79-1075, 79-1241.03, 79-2104.02, 79-2603, 79-2605, 79-2606, 85-505,
28 85-507, 85-1802, 85-2002, 85-2003, 85-2004, 85-2005, 85-2007, 85-2008,
29 85-2009, 85-2010, 85-2104, 85-2802, and 85-2803, Revised Statutes
30 Cumulative Supplement, 2020, are repealed.

31 Sec. 73. The following sections are outright repealed: Section

1 79-1336, Reissue Revised Statutes of Nebraska, and section 79-10,145,
2 Revised Statutes Cumulative Supplement, 2020.

3 Sec. 74. The following sections are outright repealed: Section
4 72-234.01, Reissue Revised Statutes of Nebraska, and section 85-9,140,
5 Revised Statutes Cumulative Supplement, 2020.

6 Sec. 75. Since an emergency exists, this act takes effect when
7 passed and approved according to law.