

AMENDMENTS TO LB1402

(Amendments to Standing Committee amendments, AM2679)

Introduced by Linehan, 39.

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

3 Section 1. (1) The Legislature finds that:

4 (a) Funds appropriated for the education of students in kindergarten
5 through twelfth grade are for a fundamental public purpose of state
6 government and constitute an ordinary expense of state government;

7 (b) Enabling the greatest number of parents and legal guardians to
8 choose among quality educational opportunities for children will improve
9 the quality of education available to all children;

10 (c) Privately operated elementary and secondary schools in Nebraska
11 satisfy the state's requirements for legal operation and provide quality
12 educational opportunities for children;

13 (d) Parents and legal guardians of limited means are less able to
14 choose among quality educational opportunities for their children; and

15 (e) Making it possible for more parents and legal guardians to be
16 able to choose privately operated schools benefits Nebraska parents and
17 taxpayers.

18 (2) For purposes of this section:

19 (a) Education scholarship means a financial grant-in-aid to be used
20 to pay all or part of the cost to educate an eligible student attending a
21 qualified school;

22 (b) Eligible student means a resident of Nebraska who:

23 (i) Is receiving an education scholarship for the first time and is
24 (A) entering kindergarten or ninth grade in a qualified school or the
25 first grade level offered by the qualified school, (B) transferring from
26 a public school at which the student was enrolled for at least one

1 semester immediately preceding the first semester for which the student
2 receives an education scholarship to a qualified school and is entering
3 any of grades kindergarten through twelve, or (C) a member of an active
4 duty or reserve military family transferring into Nebraska from another
5 state or another country and is entering any of grades kindergarten
6 through twelve in a qualified school;

7 (ii) Has previously received an education scholarship under this
8 section and is continuing education at a qualified school until such
9 student graduates from high school or reaches twenty-one years of age,
10 whichever comes first;

11 (iii) Has previously received an education scholarship under the
12 Opportunity Scholarships Act and is continuing education at a qualified
13 school until such student graduates from high school or reaches twenty-
14 one years of age, whichever comes first;

15 (iv) Is the sibling of a student who is receiving an education
16 scholarship and resides in the same household as such student; or

17 (v) Is currently enrolled in a qualified school and is a member of a
18 family whose household income is no more than two hundred thirteen
19 percent of the federal poverty level; and

20 (c) Qualified school means any nongovernmental, privately operated
21 elementary or secondary school located in this state that (i) is operated
22 not for profit, (ii) complies with the antidiscrimination provisions of
23 42 U.S.C. 1981, as such section existed on January 1, 2024, (iii)
24 complies with all health and life safety laws or codes that apply to
25 privately operated schools, and (iv) fulfills the applicable
26 accreditation or approval requirements established by the State Board of
27 Education pursuant to section 79-318.

28 (3) The State Treasurer shall establish a program to provide
29 education scholarships to eligible students to pay the costs associated
30 with attending a qualified school. Under such program, the State
31 Treasurer shall:

1 (a) Establish a priority system for awarding education scholarships
2 under the program. Such priority system shall:

3 (i) Give first priority to:

4 (A) Eligible students who received an education scholarship under
5 this section or under the Opportunity Scholarships Act during the
6 previous school year; and

7 (B) The sibling of a student who is receiving an education
8 scholarship, so long as the sibling resides in the same household as such
9 student;

10 (ii) Give second priority to:

11 (A) Eligible students whose household income levels do not exceed
12 one hundred eighty-five percent of the federal poverty level;

13 (B) Eligible students whose application for the enrollment option
14 program established in section 79-234 has been denied;

15 (C) Eligible students who have an individualized education program;

16 (D) Eligible students who are experiencing bullying, harassment,
17 hazing, assault, battery, kidnapping, robbery, sexual offenses, threat or
18 intimidation, or fighting at school;

19 (E) Eligible students who are in foster care; and

20 (F) Eligible students who are in a family with a parent or guardian
21 in an active duty role in a branch of the armed forces of the United
22 States or in the National Guard, or whose parent or guardian was killed
23 -serving in the line of duty;

24 (iii) Give third priority to eligible students whose household
25 income levels exceed one hundred eighty-five percent of the federal
26 poverty level but do not exceed two hundred thirteen percent of the
27 federal poverty level; and

28 (iv) Give fourth priority to eligible students whose household
29 income levels exceed two hundred thirteen percent of the federal poverty
30 level but do not exceed three hundred percent of the income indicated in
31 the income eligibility guidelines for reduced price meals under the

1 National School Lunch Program in 7 C.F.R. part 210;

2 (b) Limit the maximum scholarship amount awarded to any eligible
3 student to the cost necessary to educate the eligible student at the
4 qualified school such student attends; and

5 (c) Limit scholarship amounts awarded to eligible students in a
6 manner that assures that the average of the scholarship amounts awarded
7 per student does not exceed seventy-five percent of the statewide average
8 general fund operating expenditures per formula student for the most
9 recently available complete data year as such terms are defined in
10 section 79-1003.

11 (4) The annual limit on the total amount of education scholarships
12 awarded under this section for fiscal year 2024-25 shall be twenty-five
13 million dollars. The annual limit on the total amount of education
14 scholarships awarded under this section for fiscal year 2025-26 and each
15 fiscal year thereafter shall be calculated by taking the annual limit
16 from the prior fiscal year and then multiplying such amount by (a) one
17 hundred twenty-five percent if the total amount of education scholarships
18 awarded in the prior fiscal year exceeded ninety percent of the annual
19 limit applicable to that fiscal year or (b) one hundred percent if the
20 total amount of education scholarships awarded in the prior fiscal year
21 did not exceed ninety percent of the annual limit applicable to that
22 fiscal year. The annual limit may be increased as provided in this
23 subsection until it reaches one hundred million dollars. Thereafter, no
24 further increases shall be allowed.

25 (5) On or before December 1, 2025, and on or before December 1 of
26 each year thereafter, the State Treasurer shall electronically submit a
27 report to the Governor and the Legislature that includes the following:

28 (a) A summary description of the State Treasurer's policies and
29 procedures for awarding education scholarships;

30 (b) The number of eligible students receiving education scholarships
31 in the most recent fiscal year;

1 (c) The total amount of education scholarships awarded in the most
2 recent fiscal year;

3 (d) The number of eligible students currently wait-listed or denied
4 from receiving an education scholarship and the reason for the wait-
5 listing or denial; and

6 (e) The demographic information of eligible students receiving
7 education scholarships, including, but not limited to:

8 (i) Income level;

9 (ii) Grade level; and

10 (iii) Geographic location.

11 (6) The State Treasurer may enter into contracts with up to three
12 program managers for the purposes of carrying out the education
13 scholarship program described in this section.

14 (7)(a) It is the intent of the Legislature to appropriate twenty-
15 five million dollars from the General Fund for fiscal year 2024-25 to the
16 State Treasurer for the purpose of providing education scholarships as
17 provided in this section.

18 (b) It is the intent of the Legislature to appropriate the maximum
19 amount of education scholarships allowed under subsection (4) of this
20 section for fiscal year 2025-26 and each fiscal year thereafter from the
21 General Fund to the State Treasurer for the purpose of providing
22 education scholarships as provided in this section.

23 (8) Up to seven and one-half percent of the funds appropriated for
24 purposes of this section may be used by the State Treasurer, or by the
25 program managers with which the State Treasurer contracts, for
26 administrative expenses.

27 (9) This section shall not be construed as granting any expanded or
28 additional authority to the State of Nebraska to control or influence the
29 governance or policies of any qualified school due to the fact that the
30 qualified school admits and enrolls students who receive education
31 scholarships or as requiring any such qualified school to admit or, once

1 admitted, to continue the enrollment of any student receiving an
2 education scholarship.

3 Sec. 2. Since an emergency exists, this act takes effect when
4 passed and approved according to law.