

## LEGISLATIVE BILL 1079

Approved by the Governor April 6, 2012

Introduced by Mello, 5; Council, 11; Harms, 48.

FOR AN ACT relating to education; to amend section 9-812, Revised Statutes Supplement, 2011; to state findings; to define terms; to provide for grants and funding for such grants for bridge programs as prescribed; to provide for allocations from the Education Innovation Fund; to provide duties for the State Department of Education and the Department of Health and Human Services; to provide a termination date; to repeal the original section; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. The Legislature finds that:

- (1) Nebraska faces a skills gap of educated workers to serve key roles in high-demand industries;
- (2) Nebraska must develop innovative education and training solutions in order to fill these roles and compete in a global economy; and
- (3) Bridge programs, in which adult learners earn postsecondary educational credentials in an expedited manner, are a proven solution to this problem.

Sec. 2. For purposes of sections 1 to 7 of this act:

- (1) Bridge program means a structured career pathway program, developed in partnership among a provider of basic skills education and training, the provider of the Adult Education Program established pursuant to section 79-11,133, and a nonprofit social services organization, which assists students in obtaining academic, employability, and technical skills needed to enter and succeed in postsecondary education and training and the labor market; and
- (2) Department means the State Department of Education.

Sec. 3. The Legislature shall appropriate two hundred thousand dollars each fiscal year for three consecutive fiscal years beginning with FY2012-13 to the department from the Education Innovation Fund to provide grants to establish bridge programs. Such programs shall:

- (1) Provide English reading and writing and math skills required to succeed in a postsecondary educational credentialing or degree program;
- (2) Lead to the attainment of college credit and a recognized postsecondary educational credential or an industry-recognized credential;
- (3) Be open only to low-income participants who are co-enrolled in adult education, developmental education, or English as a second language;
- (4) Target the specific workforce needs of an occupational sector within the state and provide services aimed at improving education, skills, and employment prospects for low-income adults;
- (5) Use educational best practices, including, but not limited to, contextualized instructional strategies, team teaching, modularized learning, or reduced student-teacher ratios; and
- (6) Provide for supportive services needed for student educational and employment success, including, but not limited to, job coaching and personal needs.

Sec. 4. The department shall establish a competitive process for awarding grants for bridge programs which meet the requirements of section 3 of this act. In awarding such grants, the department shall give priority to:

- (1) Applicants which leverage additional funding through local, philanthropic, or federal funding, including, but not limited to, participation in the state Supplemental Nutrition Assistance Program Employment and Training plan established pursuant to the federal Food and Nutrition Act of 2008, 7 U.S.C. 2011 et seq., funding under the federal Workforce Investment Act of 1998, 29 U.S.C. 2832 et seq., as such act existed on January 1, 2012, funding under the College Access Challenge Grant Program established pursuant to the federal Higher Education Act of 1965, 20 U.S.C. 1141, as such section existed on January 1, 2012, funding under the federal Temporary Assistance to Needy Families program established in 42 U.S.C. 601 et seq., as such sections existed on January 1, 2012, and funding under the aid to dependent children program; and
- (2) Programs serving recipients of public assistance.

Sec. 5. A recipient of a bridge program grant under section 3 of this act shall collect and provide to the department data illustrating the outcomes of participants, including:

- (1) Participants' education levels, income, and employment status

upon entry into the bridge program;

(2) The total number of participants beginning the bridge program, earning college credit, earning industry-recognized credentials, and earning recognized postsecondary educational credentials;

(3) The employment rates of participants six months, twelve months, and twenty-four months after leaving the bridge program; and

(4) The number of participants pursuing additional education six months, twelve months, and twenty-four months after leaving the bridge program.

Sec. 6. The department may adopt and promulgate rules and regulations to carry out sections 1 to 5 of this act.

Sec. 7. The Department of Health and Human Services shall cooperate with applicants and recipients under sections 1 to 5 of this act pursuing funding under the state Supplemental Nutrition Assistance Program Employment and Training plan established pursuant to the federal Food and Nutrition Act of 2008, 7 U.S.C. 2011 et seq., as such act and sections existed on January 1, 2012, the federal Temporary Assistance to Needy Families program established in 42 U.S.C. 601 et seq., as such sections existed on January 1, 2012, and funding under the aid to dependent children program.

Sec. 8. Sections 1 to 7 of this act terminate on June 30, 2015.

Sec. 9. Section 9-812, Revised Statutes Supplement, 2011, is amended to read:

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

(2) Beginning October 1, 2003, a portion of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred from the State Lottery Operation Trust Fund to the Education Innovation Fund, the Nebraska Opportunity Grant Fund, the Nebraska Environmental Trust Fund, the Nebraska State Fair Board, and the Compulsive Gamblers Assistance Fund. The dollar amount transferred pursuant to this subsection shall equal the greater of (a) the dollar amount transferred to the funds in fiscal year 2002-03 or (b) any amount which constitutes at least twenty-two percent and no more than twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis. To the extent that funds are available, the Tax Commissioner and director may authorize a transfer exceeding twenty-five percent of the dollar amount of the lottery tickets sold on an annualized basis.

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

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

(b) Nineteen and three-fourths percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Education Innovation Fund;

(c) Twenty-four and three-fourths percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Opportunity Grant Fund;

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

(e) Ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska State Fair Board if the most populous city within the county in which the fair is located provides

matching funds equivalent to ten percent of the funds available for transfer. Such matching funds may be obtained from the city and any other private or public entity, except that no portion of such matching funds shall be provided by the state. If the Nebraska State Fair ceases operations, ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the General Fund; and

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

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

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

(c) For fiscal year 2011-12, the Education Innovation Fund shall be allocated as follows: (i) The first two hundred twenty-five thousand dollars shall be transferred to the Excellence in Teaching Cash Fund to fund the Attracting Excellence to Teaching Program; (ii) the next three million three hundred sixty-five thousand nine hundred sixty-two dollars shall be distributed to school districts as grants pursuant to the Early Childhood Education Grant Program; (iii) the next two million one hundred seventy-five thousand six hundred seventy-three dollars shall be distributed to local systems as grants for approved accelerated or differentiated curriculum programs for students identified as learners with high ability pursuant to section 79-1108.02; (iv) the next four hundred ninety-one thousand five hundred forty-one dollars shall be used by the State Department of Education for the development of an integrated early childhood, elementary, secondary, and postsecondary student information system; (v) the next four hundred fifty thousand dollars shall fund the Center for Student Leadership and Extended Learning Act; (vi) the next one hundred fourteen thousand six hundred twenty-nine dollars shall fund the multicultural education program created under section 79-720; (vii) the next one hundred twenty-three thousand four hundred sixty-eight dollars shall be used by the department to employ persons to investigate and prosecute alleged violations as provided in section 79-868; (viii) up to the next one hundred sixty thousand dollars shall be used by the department to implement section 79-759; and (ix) the amount remaining shall be allocated, after administrative expenses, for distance education equipment and incentives pursuant to sections 79-1336 and 79-1337.

(d) For fiscal year 2012-13, the Education Innovation Fund shall be allocated as follows: (i) The first forty-five thousand dollars shall be transferred to the Excellence in Teaching Cash Fund to fund the Attracting Excellence to Teaching Program; (ii) the next three million three hundred sixty-five thousand nine hundred sixty-two dollars shall be distributed to school districts as grants pursuant to the Early Childhood Education Grant Program; (iii) the next two million one hundred seventy-five thousand six hundred seventy-three dollars shall be distributed to local systems as grants for approved accelerated or differentiated curriculum programs for students identified as learners with high ability pursuant to section 79-1108.02; (iv) the next one hundred eight thousand one hundred thirty-six dollars shall be used by the department for the development of an integrated early childhood, elementary, secondary, and postsecondary student information system; (v) the next four hundred fifty thousand dollars shall fund the Center for Student Leadership and Extended Learning Act; (vi) the next one hundred fourteen thousand six hundred twenty-nine dollars shall be used by the department to fund the multicultural education program created under section 79-720; (vii) the next one hundred twenty-three thousand four hundred sixty-eight dollars shall be used by the department to employ persons to investigate and prosecute alleged violations as provided in section 79-868; (viii) up to the next one hundred sixty thousand dollars shall be used by the department to implement section 79-759; (ix) the next twenty-seven thousand two hundred dollars shall be used to fund the Interstate Compact on Educational Opportunity for Military Children; (x) the next two hundred thousand dollars shall be used to provide grants to establish bridge programs pursuant to sections 1 to 7 of this act; and ~~(\*)~~ (xi) the amount remaining shall be allocated, after administrative expenses, for distance education equipment and incentives pursuant to sections 79-1336 and 79-1337.

(e) For fiscal year 2013-14, the Education Innovation Fund shall be allocated as follows: (i) The first one million dollars shall be transferred to the Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act; (ii) the next allocation shall be distributed to local systems as grants for approved accelerated or differentiated curriculum programs for students identified as learners with high ability pursuant to section 79-1108.02 in an aggregated amount up to the amount distributed in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iii) the next allocation shall be used by the State Department of Education for the integrated early childhood, elementary, secondary, and postsecondary student information system in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iv) the next allocation shall fund the Center for Student Leadership and Extended Learning Act in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (v) the next allocation shall be used by the department to fund the multicultural education program created under section 79-720 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (vi) the next allocation shall be used by the department to employ persons to investigate and prosecute alleged violations as provided in section 79-868 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (vii) up to the next one hundred sixty thousand dollars shall be used by the department to implement section 79-759; (viii) the next two hundred thousand dollars shall be used to provide grants to establish bridge programs pursuant to sections 1 to 7 of this act; and ~~(viii)~~ (ix) the amount remaining shall be allocated, after administrative expenses, for distance education equipment and incentives pursuant to sections 79-1336 and 79-1337.

(f) For fiscal years ~~2014-15 and 2015-16~~, year 2014-15, the Education Innovation Fund shall be allocated as follows: (i) The first one million dollars shall be transferred to the Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act; (ii) the next allocation shall be distributed to local systems as grants for approved accelerated or differentiated curriculum programs for students identified as learners with high ability pursuant to section 79-1108.02 in an aggregated amount up to the amount distributed in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iii) the next allocation shall be used by the State Department of Education for the integrated early childhood, elementary, secondary, and postsecondary student information system in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iv) the next allocation shall fund the Center for Student Leadership and Extended Learning Act in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (v) the next allocation shall be used by the department to fund the multicultural education program created under section 79-720 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (vi) the next allocation shall be used by the department to employ persons to investigate and prosecute alleged violations as provided in section 79-868 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (vii) the next two hundred thousand dollars shall be used to provide grants to establish bridge programs pursuant to sections 1 to 7 of this act; and ~~(vii)~~ (viii) the amount remaining shall be allocated, after administrative expenses, for distance education equipment and incentives pursuant to sections 79-1336 and 79-1337.

(g) For fiscal year 2015-16, the Education Innovation Fund shall be allocated as follows: (i) The first one million dollars shall be transferred to the Excellence in Teaching Cash Fund to fund the Excellence in Teaching Act; (ii) the next allocation shall be distributed to local systems as grants for approved accelerated or differentiated curriculum programs for students identified as learners with high ability pursuant to section 79-1108.02 in an aggregated amount up to the amount distributed in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iii) the next allocation shall be used by the State Department of Education for the integrated early childhood, elementary, secondary, and postsecondary student information system in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (iv) the next allocation

shall fund the Center for Student Leadership and Extended Learning Act in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (v) the next allocation shall be used by the department to fund the multicultural education program created under section 79-720 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; (vi) the next allocation shall be used by the department to employ persons to investigate and prosecute alleged violations as provided in section 79-868 in an aggregated amount up to the amount used in the prior fiscal year for such purposes increased by the basic allowable growth rate pursuant to section 79-1025; and (vii) the amount remaining shall be allocated, after administrative expenses, for distance education equipment and incentives pursuant to sections 79-1336 and 79-1337.

(h) For fiscal year 2016-17 and each fiscal year thereafter, the Education Innovation Fund shall be allocated, after administrative expenses, for education purposes as provided by the Legislature.

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

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

Sec. 10. Original section 9-812, Revised Statutes Supplement, 2011, is repealed.

Sec. 11. Since an emergency exists, this act takes effect when passed and approved according to law.