

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 421

Introduced by Kintner, 2; Brasch, 16; Ebke, 32; Garrett, 3; Murante, 49;
Schnoor, 15; Smith, 14.

Read first time January 16, 2015

Committee: Education

1 A BILL FOR AN ACT relating to learning communities; to amend sections
2 11-119, 13-511, 13-903, 13-2202, 77-1601.02, 77-1614, 77-1624,
3 77-1702, 77-1708, 77-1772, 77-2201, 77-2202, 79-102, 79-201, 79-215,
4 79-233, 79-237, 79-238, 79-2,104, 79-407, 79-408, 79-413, 79-415,
5 79-416, 79-433, 79-452, 79-458, 79-458.01, 79-467, 79-468, 79-473,
6 79-527, 79-528, 79-549, 79-611, 79-760.02, 79-760.03, 79-760.05,
7 79-769, 79-777, 79-850, 79-979, 79-1003, 79-1007.05, 79-1007.11,
8 79-1007.18, 79-1007.22, 79-1008.02, 79-1013, 79-1014, 79-1022,
9 79-1024, 79-1033, 79-1036, 79-1041, 79-1073, 79-1073.01, 79-1074,
10 79-1075, 79-1083, 79-1084, 79-1086, 79-10,120, 79-10,126, 79-1210,
11 79-1241.03, 79-2107, 79-2404, 81-1203, and 84-1413, Reissue Revised
12 Statutes of Nebraska, and sections 13-503, 13-508, 32-546.01,
13 32-567, 32-604, 32-1203, 68-907, 70-651.04, 77-1704.01, 77-2704.15,
14 and 77-3442, Revised Statutes Cumulative Supplement, 2014; to
15 eliminate learning communities, the Learning Community
16 Reorganization Act, and the learning community coordinating council;
17 to change provisions relating to school district boundaries as
18 prescribed; to harmonize provisions; to provide operative dates; to
19 repeal the original sections; and to outright repeal sections
20 79-4,117, 79-4,118, 79-4,119, 79-4,120, 79-4,121, 79-4,122,
21 79-4,123, 79-4,124, 79-4,125, 79-4,126, 79-4,127, 79-4,128,
22 79-4,129, 79-10,126.01, 79-2101, 79-2102, 79-2102.01, 79-2103,
23 79-2104, 79-2104.01, 79-2104.02, 79-2104.03, 79-2110, 79-2110.01,

1 79-2111, 79-2112, 79-2113, 79-2114, 79-2115, 79-2116, 79-2117,
2 79-2118, 79-2119, 79-2120, and 79-2121, Reissue Revised Statutes of
3 Nebraska, and section 32-555.01, Revised Statutes Cumulative
4 Supplement, 2014.

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

1 Section 1. On July 1, 2016, the learning community established
2 pursuant to section 79-2102, as such section existed immediately prior to
3 such date, for a city of the metropolitan class which includes all school
4 districts for which the principal office of the school district is
5 located in the county where the city of the metropolitan class is located
6 and all school districts for which the principal office of the school
7 district is located in a county that has a contiguous border of at least
8 five miles in the aggregate with such city of the metropolitan class
9 shall be dissolved. All records, books, papers, and personal property
10 belonging to such learning community shall be delivered to the State
11 Board of Education to be distributed to the school districts which were
12 members of such learning community immediately prior to its dissolution
13 as determined by the state board. All funds belonging to such learning
14 community shall be delivered to the state board to be distributed to the
15 largest school district belonging to the learning community for which the
16 principal office is within the city of the metropolitan class.

17 The boundaries of all school districts within such learning
18 community shall remain as depicted on the map kept by the county clerk
19 pursuant to section 79-490 as of July 1, 2016, until changed pursuant to
20 any reorganization entered into by one or more of such school districts.

21 Sec. 2. Section 11-119, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 11-119 The following named officers shall execute a bond with
24 penalties of the following amounts:

- 25 (1) The Governor, one hundred thousand dollars;
- 26 (2) The Lieutenant Governor, one hundred thousand dollars;
- 27 (3) The Auditor of Public Accounts, one hundred thousand dollars;
- 28 (4) The Secretary of State, one hundred thousand dollars;
- 29 (5) The Attorney General, one hundred thousand dollars;
- 30 (6) The State Treasurer, not less than one million dollars and not
31 more than double the amount of money that may come into his or her hands,

1 to be fixed by the Governor;

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

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

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

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

14 (11) Each sheriff, in counties of not more than twenty thousand
15 inhabitants, five thousand dollars, and in counties over twenty thousand
16 inhabitants, ten thousand dollars;

17 (12) Each district superintendent of public instruction, one
18 thousand dollars;

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

20 (14) Each county commissioner or supervisor, in counties of not more
21 than twenty thousand inhabitants, one thousand dollars, in counties over
22 twenty thousand and not more than thirty thousand inhabitants, two
23 thousand dollars, in counties over thirty thousand and not more than
24 fifty thousand inhabitants, three thousand dollars, and in counties over
25 fifty thousand inhabitants, five thousand dollars;

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

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

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

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

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

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

8 (21) Each member of a county weed district board and the manager
9 thereof, such amount as may be determined by the county board of
10 commissioners or supervisors of each county with the same amount to apply
11 to each member of any particular board; and

12 (22) In any county, in lieu of the individual bonds required to be
13 furnished by county officers, a schedule, position, or blanket bond or
14 undertaking may be given by county officers, or a single corporate surety
15 fidelity, schedule, position, or blanket bond or undertaking covering all
16 the officers, including officers required by law to furnish an individual
17 bond or undertaking, may be furnished. The county may pay the premium for
18 the bond. The bond shall be, at a minimum, an aggregate of the amounts
19 fixed by law or by the person or board authorized by law to fix the
20 amounts, and with such terms and conditions as may be required by
21 sections 11-101 to 11-130. ~~;~~ and

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

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

28 Sec. 3. Section 13-503, Revised Statutes Cumulative Supplement,
29 2014, is amended to read:

30 13-503 For purposes of the Nebraska Budget Act, unless the context
31 otherwise requires:

1 (1) Governing body means the governing body of any county
2 agricultural society, elected county fair board, joint airport authority
3 formed under the Joint Airport Authorities Act, city or county airport
4 authority, bridge commission created pursuant to section 39-868, cemetery
5 district, city, village, municipal county, community college, community
6 redevelopment authority, county, drainage or levee district, educational
7 service unit, rural or suburban fire protection district, historical
8 society, hospital district, irrigation district, learning community until
9 school fiscal year 2016-17, natural resources district, nonprofit county
10 historical association or society for which a tax is levied under
11 subsection (1) of section 23-355.01, public building commission, railroad
12 transportation safety district, reclamation district, road improvement
13 district, rural water district, school district, sanitary and improvement
14 district, township, offstreet parking district, transit authority,
15 metropolitan utilities district, Educational Service Unit Coordinating
16 Council, and political subdivision with the authority to have a property
17 tax request, with the authority to levy a toll, or that receives state
18 aid;

19 (2) Levying board means any governing body which has the power or
20 duty to levy a tax;

21 (3) Fiscal year means the twelve-month period used by each governing
22 body in determining and carrying on its financial and taxing affairs;

23 (4) Tax means any general or special tax levied against persons,
24 property, or business for public purposes as provided by law but shall
25 not include any special assessment;

26 (5) Auditor means the Auditor of Public Accounts;

27 (6) Cash reserve means funds required for the period before revenue
28 would become available for expenditure but shall not include funds held
29 in any special reserve fund;

30 (7) Public funds means all money, including nontax money, used in
31 the operation and functions of governing bodies. For purposes of a

1 county, city, or village which has a lottery established under the
2 Nebraska County and City Lottery Act, only those net proceeds which are
3 actually received by the county, city, or village from a licensed lottery
4 operator shall be considered public funds, and public funds shall not
5 include amounts awarded as prizes;

6 (8) Adopted budget statement means a proposed budget statement which
7 has been adopted or amended and adopted as provided in section 13-506.
8 Such term shall include additions, if any, to an adopted budget statement
9 made by a revised budget which has been adopted as provided in section
10 13-511;

11 (9) Special reserve fund means any special fund set aside by the
12 governing body for a particular purpose and not available for expenditure
13 for any other purpose. Funds created for (a) the retirement of bonded
14 indebtedness, (b) the funding of employee pension plans, (c) the purposes
15 of the Political Subdivisions Self-Funding Benefits Act, (d) the purposes
16 of the Local Option Municipal Economic Development Act, (e) voter-
17 approved sinking funds, or (f) statutorily authorized sinking funds shall
18 be considered special reserve funds;

19 (10) Biennial period means the two fiscal years comprising a
20 biennium commencing in odd-numbered or even-numbered years used by a city
21 or village in determining and carrying on its financial and taxing
22 affairs; and

23 (11) Biennial budget means a budget by a city of the primary or
24 metropolitan class that adopts a charter provision providing for a
25 biennial period to determine and carry on the city's financial and taxing
26 affairs or a budget by a city of the first or second class or village
27 that provides for a biennial period to determine and carry on the city's
28 or village's financial and taxing affairs.

29 Sec. 4. Section 13-508, Revised Statutes Cumulative Supplement,
30 2014, is amended to read:

31 13-508 (1) After publication and hearing thereon and within the time

1 prescribed by law, each governing body, except as provided in subsection
2 (3) of this section, shall file with and certify to the levying board or
3 boards on or before September 20 of each year or September 20 of the
4 final year of a biennial period and file with the auditor a copy of the
5 adopted budget statement which complies with sections 13-518 to 13-522 or
6 79-1023 to 79-1030, together with the amount of the tax required to fund
7 the adopted budget, setting out separately (a) the amount to be levied
8 for the payment of principal or interest on bonds issued by the governing
9 body and (b) the amount to be levied for all other purposes. Proof of
10 publication shall be attached to the statements. For all school fiscal
11 years before school fiscal year 2016-17, learning Learning communities
12 shall also file a copy of such adopted budget statement with member
13 school districts on or before September 1 ~~of each year~~. The governing
14 body, in certifying the amount required, may make allowance for
15 delinquent taxes not exceeding five percent of the amount required plus
16 the actual percentage of delinquent taxes for the preceding tax year or
17 biennial period and for the amount of estimated tax loss from any pending
18 or anticipated litigation which involves taxation and in which tax
19 collections have been or can be withheld or escrowed by court order. For
20 purposes of this section, anticipated litigation shall be limited to the
21 anticipation of an action being filed by a taxpayer who or which filed a
22 similar action for the preceding year or biennial period which is still
23 pending. Except for such allowances, a governing body shall not certify
24 an amount of tax more than one percent greater or lesser than the amount
25 determined under section 13-505.

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

31 (3)(a) A Class I school district shall do the filing and

1 certification required by subsection (1) of this section on or before
2 August 1 of each year.

3 (b) For all school fiscal years before school fiscal year 2016-17, a
4 A learning community shall do such filing and certification on or before
5 September 1 of each year.

6 Sec. 5. Section 13-511, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 13-511 (1) Unless otherwise provided by law, whenever during the
9 current fiscal year or biennial period it becomes apparent to a governing
10 body that (a) there are circumstances which could not reasonably have
11 been anticipated at the time the budget for the current year or biennial
12 period was adopted, (b) the budget adopted violated sections 13-518 to
13 13-522, such that the revenue of the current fiscal year or biennial
14 period for any fund thereof will be insufficient, additional expenses
15 will be necessarily incurred, or there is a need to reduce the budget
16 requirements to comply with sections 13-518 to 13-522, or (c) the
17 governing body has been notified by the auditor of a mathematical or
18 accounting error or noncompliance with the Nebraska Budget Act, such
19 governing body may propose to revise the previously adopted budget
20 statement and shall conduct a public hearing on such proposal.

21 (2) Notice of the time and place of the hearing shall be published
22 at least five days prior to the date set for hearing in a newspaper of
23 general circulation within the governing body's jurisdiction. Such
24 published notice shall set forth (a) the time and place of the hearing,
25 (b) the amount in dollars of additional or reduced money required and for
26 what purpose, (c) a statement setting forth the nature of the
27 unanticipated circumstances and, if the budget requirements are to be
28 increased, the reasons why the previously adopted budget of expenditures
29 cannot be reduced during the remainder of the current year or biennial
30 period to meet the need for additional money in that manner, (d) a copy
31 of the summary of the originally adopted budget previously published, and

1 (e) a copy of the summary of the proposed revised budget.

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

5 (4) Upon conclusion of the public hearing on the proposed revised
6 budget and approval of the proposed revised budget by the governing body,
7 the governing body shall file with the county clerk of the county or
8 counties in which such governing body is located, for all school fiscal
9 years before school fiscal year 2016-17 with the learning community
10 coordinating council for school districts that are members of learning
11 communities, and with the auditor, a copy of the revised budget, as
12 adopted. The governing body may then issue warrants in payment for
13 expenditures authorized by the adopted revised budget. Such warrants
14 shall be referred to as registered warrants and shall be repaid during
15 the next fiscal year or biennial period from funds derived from taxes
16 levied therefor.

17 (5) Within thirty days after the adoption of the budget under
18 section 13-506, a governing body may, or within thirty days after
19 notification of an error by the auditor, a governing body shall, correct
20 an adopted budget which contains a clerical, mathematical, or accounting
21 error which does not affect the total amount budgeted by more than one
22 percent or increase the amount required from property taxes. No public
23 hearing shall be required for such a correction. After correction, the
24 governing body shall file a copy of the corrected budget with the county
25 clerk of the county or counties in which such governing body is located
26 and with the auditor. The governing body may then issue warrants in
27 payment for expenditures authorized by the budget.

28 Sec. 6. Section 13-903, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 13-903 For purposes of the Political Subdivisions Tort Claims Act
31 and sections 16-727, 16-728, 23-175, 39-809, and 79-610, unless the

1 context otherwise requires:

2 (1) Political subdivision shall include villages, cities of all
3 classes, counties, school districts, learning communities in existence
4 before July 1, 2016, public power districts, and all other units of local
5 government, including entities created pursuant to the Interlocal
6 Cooperation Act or Joint Public Agency Act. Political subdivision shall
7 not be construed to include any contractor with a political subdivision;

8 (2) Governing body shall mean the village board of a village, the
9 city council of a city, the board of commissioners or board of
10 supervisors of a county, the board of directors of a public power
11 district, the governing board or other governing body of an entity
12 created pursuant to the Interlocal Cooperation Act or Joint Public Agency
13 Act, and any duly elected or appointed body holding the power and
14 authority to determine the appropriations and expenditures of any other
15 unit of local government;

16 (3) Employee of a political subdivision shall mean any one or more
17 officers or employees of the political subdivision or any agency of the
18 subdivision and shall include members of the governing body, duly
19 appointed members of boards or commissions when they are acting in their
20 official capacity, volunteer firefighters, and volunteer rescue squad
21 personnel. Employee shall not be construed to include any contractor with
22 a political subdivision; and

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

31 Sec. 7. Section 13-2202, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 13-2202 For purposes of the Local Government Miscellaneous
3 Expenditure Act:

4 (1) Elected and appointed officials and employees shall mean the
5 elected and appointed officials and employees of any local government;

6 (2) Governing body shall mean, in the case of a city of any class,
7 the council; in the case of a village, cemetery district, community
8 hospital for two or more adjoining counties, county hospital, road
9 improvement district, sanitary drainage district, or sanitary and
10 improvement district, the board of trustees; in the case of a county, the
11 county board; in the case of a municipal county, the council; in the case
12 of a township, the town board; in the case of a school district, the
13 school board; in the case of a rural or suburban fire protection
14 district, reclamation district, natural resources district, or hospital
15 district, the board of directors; in the case of a health district, the
16 board of health; in the case of an educational service unit, the board;
17 in the case of a community college, the Community College Board of
18 Governors for the area the board serves; in the case of an airport
19 authority, the airport authority board; in the case of a weed control
20 authority, the board; and in the case of a county agricultural society,
21 the board of governors; ~~and in the case of a learning community, the~~
22 ~~learning community coordinating council;~~

23 (3) Local government shall mean cities of any class, villages,
24 cemetery districts, community hospitals for two or more adjoining
25 counties, county hospitals, road improvement districts, counties,
26 townships, sanitary drainage districts, sanitary and improvement
27 districts, school districts, rural or suburban fire protection districts,
28 reclamation districts, natural resources districts, hospital districts,
29 health districts, educational service units, community colleges, airport
30 authorities, weed control authorities, and county agricultural societies,
31 ~~and learning communities;~~

1 (4) Public funds shall mean such public funds as defined in section
2 13-503 as are under the direct control of governing bodies of local
3 governments;

4 (5) Public meeting shall mean all regular, special, or called
5 meetings, formal or informal, of any governing body for the purposes of
6 briefing, discussion of public business, formation of tentative policy,
7 or the taking of any action of the governing body; and

8 (6) Volunteer shall mean a person who is not an elected or appointed
9 official or an employee of a local government and who, at the request or
10 with the permission of the local government, engages in activities
11 related to the purposes or functions of the local government or for its
12 general benefit.

13 Sec. 8. Section 32-546.01, Revised Statutes Cumulative Supplement,
14 2014, is amended to read:

15 32-546.01 (1) Each learning community shall be governed by a
16 learning community coordinating council consisting of eighteen voting
17 members, with twelve members elected on a nonpartisan ballot from six
18 numbered subcouncil districts created pursuant to section 32-555.01, as
19 such section existed immediately prior to July 1, 2016, and with six
20 members appointed from such subcouncil districts pursuant to this
21 section. Each voter shall be allowed to cast votes for one candidate at
22 both the primary and general elections to represent the subcouncil
23 district in which the voter resides. The four candidates receiving the
24 most votes at the primary election shall advance to the general election.
25 The two candidates receiving the most votes at the general election shall
26 be elected. A candidate shall reside in the subcouncil district for which
27 he or she is a candidate. Coordinating council members shall be elected
28 on the nonpartisan ballot.

29 (2) The initial elected members shall be nominated at the statewide
30 primary election and elected at the statewide general election
31 immediately following the certification of the establishment of the

1 learning community, and subsequent members shall be nominated at
2 subsequent statewide primary elections and elected at subsequent
3 statewide general elections. Except as provided in this section, such
4 elections shall be conducted pursuant to the Election Act.

5 (3) Vacancies in office for elected members shall occur as set forth
6 in section 32-560. Whenever any such vacancy occurs, the remaining
7 elected members of such council shall appoint an individual residing
8 within the geographical boundaries of the subcouncil district for the
9 balance of the unexpired term or until the dissolution of the learning
10 community, whichever occurs first.

11 (4) Members elected to represent odd-numbered districts in the first
12 election for the learning community coordinating council shall be elected
13 for two-year terms. Members elected to represent even-numbered districts
14 in the first election for the learning community coordinating council
15 shall be elected for four-year terms. Members elected in subsequent
16 elections shall be elected for four-year terms and until their successors
17 are elected and qualified or until the dissolution of the learning
18 community, whichever occurs first.

19 (5) The appointed members shall be appointed in November of each
20 even-numbered year after the general election. Appointed members shall be
21 school board members of school districts in the learning community either
22 elected to take office the following January or continuing their current
23 term of office for the following two years or until the dissolution of
24 the learning community, whichever occurs first. For learning communities
25 to be established the following January pursuant to orders issued
26 pursuant to section 79-2102, as such section existed immediately prior to
27 July 1, 2016, the Secretary of State shall hold a meeting of the school
28 board members of the school districts in such learning community to
29 appoint one member from such school boards to represent each of the
30 subcouncil districts on the coordinating council of such learning
31 community. For subsequent appointments, the current appointed members of

1 the coordinating council shall hold a meeting of the school board members
2 of such school districts to appoint one member from such school boards to
3 represent each of the subcouncil districts on the coordinating council of
4 the learning community. The appointed members shall be selected by the
5 school board members of the school districts in the learning community
6 who reside in the subcouncil district to be represented pursuant to a
7 secret ballot, shall reside in the subcouncil district to be represented,
8 and shall be appointed for two-year terms and until their successors are
9 appointed and qualified or until the dissolution of the learning
10 community, whichever occurs first.

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

23 (7) Each learning community coordinating council shall also have a
24 nonvoting member from each member school district which does not have
25 either an elected or an appointed member who resides in the school
26 district on the council. Such nonvoting members shall be appointed by the
27 school board of the school district to be represented to serve for two-
28 year terms or until the dissolution of the learning community, whichever
29 occurs first, and notice of the nonvoting member selected shall be
30 submitted to the Secretary of State by such board prior to December 31 of
31 each even-numbered year. Each such nonvoting member shall be a resident

1 of the appointing school district and shall not be a school administrator
2 employed by such school district. Whenever a vacancy occurs, the school
3 board of such school district shall appoint a new nonvoting member and
4 submit notice to the Secretary of State and to the learning community
5 coordinating council.

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

21 Sec. 9. Section 32-567, Revised Statutes Cumulative Supplement,
22 2014, is amended to read:

23 32-567 Vacancies in office shall be filled as follows:

24 (1) In state and judicial district offices and in the membership of
25 any board or commission created by the state when no other method is
26 provided, by the Governor;

27 (2) In county offices, by the county board;

28 (3) In the membership of the county board, by the county clerk,
29 county attorney, and county treasurer;

30 (4) In the membership of the city council, according to section
31 32-568 or 32-569, as applicable;

1 (5) In township offices, by the township board or, if there are two
2 or more vacancies on the township board, by the county board;

3 (6) In offices in public power and irrigation districts, according
4 to section 70-615;

5 (7) In offices in natural resources districts, according to section
6 2-3215;

7 (8) In offices in community college areas, according to section
8 85-1514;

9 (9) In offices in educational service units, according to section
10 79-1217;

11 (10) In offices in hospital districts, according to section 23-3534;

12 (11) In offices in metropolitan utilities districts, according to
13 section 14-2104;

14 (12) In membership on airport authority boards, according to section
15 3-502, 3-611, or 3-703, as applicable;

16 (13) In membership on the board of trustees of a road improvement
17 district, according to section 39-1607;

18 (14) In membership on the council of a municipal county, by the
19 council; and

20 (15) For learning community coordinating councils, according to
21 section 32-546.01.

22 Unless otherwise provided by law, all vacancies shall be filled
23 within forty-five days after the vacancy occurs unless good cause is
24 shown that the requirement imposes an undue burden or unless, in the case
25 of a learning community coordinating council, the learning community will
26 cease to exist within such forty-five-day period.

27 Sec. 10. Section 32-604, Revised Statutes Cumulative Supplement,
28 2014, is amended to read:

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

1 elected or appointed to or holds another elective office.

2 (2) No person serving as a member of the Legislature or in an
3 elective office described in Article IV, section 1 or 20, or Article VII,
4 section 3 or 10, of the Constitution of Nebraska shall simultaneously
5 serve in any other elective office, except that such a person may
6 simultaneously serve in another elective office which is filled at an
7 election held in conjunction with the annual meeting of a public body.

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

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

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

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

1 Sec. 11. Section 32-1203, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 32-1203 (1) Each city, village, school district, public power
4 district, sanitary and improvement district, metropolitan utilities
5 district, fire district, natural resources district, community college
6 area, ~~learning community coordinating council~~, educational service unit,
7 hospital district, reclamation district, and library board shall pay for
8 the costs of nominating and electing its officers as provided in
9 subsection (2), (3), or (4) of this section. If a special issue is placed
10 on the ballot at the time of the statewide primary or general election by
11 any political subdivision, the political subdivision shall pay for the
12 costs of the election as provided in subsection (2), (3), or (4) of this
13 section. The districts listed in this subsection shall furnish to the
14 Secretary of State and election commissioner or county clerk any maps and
15 additional information which the election commissioner or county clerk
16 may require in the proper performance of their duties in the conduct of
17 elections and certification of results.

18 (2) The charge for each primary and general election shall be
19 determined by (a) ascertaining the total cost of all chargeable costs as
20 described in section 32-1202, (b) dividing the total cost by the number
21 of precincts participating in the election to fix the cost per precinct,
22 (c) prorating the cost per precinct by the inked ballot inch in each
23 precinct for each political subdivision, and (d) totaling the cost for
24 each precinct for each political subdivision, except that the minimum
25 charge for each primary and general election for each political
26 subdivision shall be fifty dollars.

27 (3) In lieu of the charge determined pursuant to subsection (2) of
28 this section, the election commissioner or county clerk may charge public
29 power districts the fee for election costs set by section 70-610.

30 (4) In lieu of the charge determined pursuant to subsection (2) of
31 this section, the election commissioner or county clerk may bill school

1 districts directly for the costs of an election held under section
2 10-703.01.

3 Sec. 12. Section 68-907, Revised Statutes Cumulative Supplement,
4 2014, is amended to read:

5 68-907 For purposes of the Medical Assistance Act:

6 (1) Committee means the Health and Human Services Committee of the
7 Legislature;

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

9 (3) Medicaid Reform Plan means the Medicaid Reform Plan submitted on
10 December 1, 2005, pursuant to the Medicaid Reform Act enacted pursuant to
11 Laws 2005, LB 709;

12 (4) Medicaid state plan means the comprehensive written document,
13 developed and amended by the department and approved by the federal
14 Centers for Medicare and Medicaid Services, which describes the nature
15 and scope of the medical assistance program and provides assurances that
16 the department will administer the program in compliance with federal
17 requirements;

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

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

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

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

24 (c) Is administered by a sponsoring facility;

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

29 (e) Does not perform abortion services or refer or counsel for
30 abortion services and does not dispense, prescribe, or counsel for
31 contraceptive drugs or devices; and

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

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

7 (a) Medical health;

8 (b) Behavioral and mental health;

9 (c) Preventive health; and

10 (d) Oral health;

11 (8) Sponsoring facility means:

12 (a) A hospital;

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

14 (c) A federally qualified health center as defined in section
15 1905(1)(2)(B) of the federal Social Security Act, 42 U.S.C. 1396d(1)(2)
16 (B), as such act and section existed on January 1, 2010;

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

19 (e) A school or school district; or

20 (f) A program administered by the Indian Health Service or the
21 federal Bureau of Indian Affairs or operated by an Indian tribe or tribal
22 organization under the federal Indian Self-Determination and Education
23 Assistance Act, or an urban Indian program under Title V of the federal
24 Indian Health Care Improvement Act, as such acts existed on January 1,
25 2010; and

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

30 Sec. 13. Section 70-651.04, Revised Statutes Cumulative Supplement,
31 2014, is amended to read:

1 70-651.04 All payments which are based on retail revenue from each
2 incorporated city or village shall be divided and distributed by the
3 county treasurer to that city or village, to the school districts located
4 in that city or village, to any learning community located in that city
5 or village, and to the county in which may be located any such
6 incorporated city or village in the proportion that their respective
7 property tax levies in the preceding year bore to the total of such
8 levies, except that for all school fiscal years before school fiscal year
9 2016-17 the only learning community levies to be included are the common
10 levies for which the proceeds are distributed to member school districts
11 pursuant to sections 79-1073 and 79-1073.01.

12 Sec. 14. Section 77-1601.02, Reissue Revised Statutes of Nebraska,
13 is amended to read:

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

1 certified and forwarded to the county clerk on or before October 13 of
2 the year for which the tax request is to apply.

3 (2) Any levy which is not in compliance with this section and
4 section 77-1601 shall be construed as an unauthorized levy under section
5 77-1606.

6 Sec. 15. Section 77-1614, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-1614 All taxes which are uniform, throughout any precinct,
9 township, school district, ~~learning community~~, village, city, county, or
10 other taxing subdivision of a county, shall be formed into a single tax,
11 be entered upon the tax list in a double column, and be denominated a
12 consolidated tax.

13 Sec. 16. Section 77-1624, Reissue Revised Statutes of Nebraska, is
14 amended to read:

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

27 Sec. 17. Section 77-1702, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 77-1702 State warrants are receivable for the amount payable into
30 the state treasury on account of tax levied for general state purposes.
31 County warrants are receivable for the amount payable into the county

1 treasury for general purposes. City warrants shall be received for the
2 city general tax, village warrants for the village general tax, and town
3 warrants for the town general tax. State, city, village, or township
4 taxes, levied for other special purposes, may be paid by warrants drawn
5 and payable out of the particular fund on account of which they are
6 tendered. Lawful money of the United States, checks, drafts, credit
7 cards, charge cards, debit cards, money orders, electronic funds
8 transfers, or other bills of exchange may be accepted in payment of any
9 state, county, village, township, school district, ~~learning community~~, or
10 other governmental subdivision tax, levy, excise, duty, custom, toll,
11 penalty, fine, license, fee, or assessment of whatever kind or nature,
12 whether general or special.

13 Sec. 18. Section 77-1704.01, Revised Statutes Cumulative Supplement,
14 2014, is amended to read:

15 77-1704.01 (1) The county treasurer shall include with each tax
16 notice to every taxpayer and with each receipt provided to a taxpayer the
17 following information:

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

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

23 (c) For real property, the amount of taxes reflected on the
24 statement that are levied by the county, city, village, school district,
25 ~~learning community~~, and other subdivisions for the tax year and for the
26 immediately past year on the same parcel.

27 (2) The necessary form for furnishing the information required by
28 subdivisions (1)(a) and (b) of this section shall be prescribed by the
29 Department of Revenue. The necessary information required by subdivision
30 (1)(a) of this section shall be furnished to the county treasurer by the
31 Department of Revenue prior to October 1 of each year. The form

1 prescribed by the Department of Revenue shall contain the following
2 statement:

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

6 Sec. 19. Section 77-1708, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-1708 The county treasurer is required to keep a cash book in
9 which he or she shall enter an account of all money received, specifying
10 in proper columns provided for that purpose the date of payment, the
11 number of the receipt issued therefor, and on account of what fund or
12 funds the same was paid, whether state, county, school, ~~learning~~
13 ~~community~~, road, sinking fund or otherwise, each in separate columns, and
14 the total amount for which the receipt was given in another column. The
15 treasurer shall keep the account of money received for and on account of
16 taxes separate and distinct from money received on any other account. He
17 or she shall also keep the account of money received for and on account
18 of taxes levied and assessed for any one year separate and distinct from
19 those levied and assessed for any other year. All entries in the cash
20 book of money received for taxes shall be in the numerical order of the
21 receipts issued therefor.

22 Sec. 20. Section 77-1772, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 77-1772 Interest collected upon delinquent county, city, village,
25 school district, or learning community taxes shall be credited on the
26 books and distributed among the various governmental subdivisions and
27 municipal corporations in the same proportion as the principal of the
28 taxes is credited and distributed. In the case of interest on delinquent
29 learning community taxes if such learning community is no longer in
30 existence, such interest shall be credited on the books and distributed
31 among the school districts which were members of the learning community

1 at the time such taxes were levied by the learning community in the same
2 proportion as the real property valuation in each such school district
3 bears to the total real property valuation of all member school districts
4 in the learning community at the time the taxes were levied.

5 Sec. 21. Section 77-2201, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 77-2201 All warrants upon the State Treasurer or the treasurer of
8 any county, city, school district, ~~learning community~~, or other municipal
9 corporation shall be paid in the order of their presentation therefor.

10 Sec. 22. Section 77-2202, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 77-2202 The State Treasurer and the treasurer of every county, city,
13 school district, ~~learning community~~, or other municipal corporation shall
14 keep a warrant register, which register shall show in columns arranged
15 for that purpose the number, the date, and the amount of each warrant
16 presented and registered, the particular fund upon which the same is
17 drawn, the date of presentation, the name and address of the person in
18 whose name the warrant is registered, the date of payment, the amount of
19 interest, and the total amount paid thereon, with the date when notice to
20 the person in whose name such warrant is registered is mailed.

21 Sec. 23. Section 77-2704.15, Revised Statutes Cumulative Supplement,
22 2014, is amended to read:

23 77-2704.15 (1)(a) Sales and use taxes shall not be imposed on the
24 gross receipts from the sale, lease, or rental of and the storage, use,
25 or other consumption in this state of purchases by the state, including
26 public educational institutions recognized or established under the
27 provisions of Chapter 85, or by any county, township, city, village,
28 rural or suburban fire protection district, city airport authority,
29 county airport authority, joint airport authority, drainage district
30 organized under sections 31-401 to 31-450, land bank created under the
31 Nebraska Municipal Land Bank Act, natural resources district, elected

1 county fair board, housing agency as defined in section 71-1575 except
2 for purchases for any commercial operation that does not exclusively
3 benefit the residents of an affordable housing project, cemetery created
4 under section 12-101, or joint entity or agency formed by any combination
5 of two or more counties, townships, cities, villages, or other exempt
6 governmental units pursuant to the Interlocal Cooperation Act, the
7 Integrated Solid Waste Management Act, or the Joint Public Agency Act,
8 except for purchases for use in the business of furnishing gas, water,
9 electricity, or heat, or by any irrigation or reclamation district, the
10 irrigation division of any public power and irrigation district, or
11 public schools or ~~learning communities~~ established under Chapter 79.

12 (b) For purposes of this subsection, purchases by the state or by a
13 governmental unit listed in subdivision (a) of this subsection include
14 purchases by a nonprofit corporation under a lease-purchase agreement,
15 financing lease, or other instrument which provides for transfer of title
16 to the property to the state or governmental unit upon payment of all
17 amounts due thereunder. If a nonprofit corporation will be making
18 purchases under a lease-purchase agreement, financing lease, or other
19 instrument as part of a project with a total estimated cost that exceeds
20 the threshold amount, then such purchases shall qualify for an exemption
21 under this section only if the question of proceeding with such project
22 has been submitted at a primary, general, or special election held within
23 the governmental unit that will be a party to the lease-purchase
24 agreement, financing lease, or other instrument and has been approved by
25 the voters of such governmental unit. For purposes of this subdivision,
26 (i) project means the acquisition of real property or the construction of
27 a public building and (ii) threshold amount means the greater of fifty
28 thousand dollars or six-tenths of one percent of the total actual value
29 of real and personal property of the governmental unit that will be a
30 party to the lease-purchase agreement, financing lease, or other
31 instrument as of the end of the governmental unit's prior fiscal year.

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

12 (3) Any governmental unit listed in subsection (1) of this section,
13 except the state, which enters into a contract of construction,
14 improvement, or repair upon property annexed to real estate without first
15 issuing a purchasing agent authorization to a contractor or repairperson
16 prior to the building materials being annexed to real estate in the
17 project may apply to the Tax Commissioner for a refund of any sales and
18 use tax paid by the contractor or repairperson on the building materials
19 physically annexed to real estate in the construction, improvement, or
20 repair.

21 Sec. 24. Section 77-3442, Revised Statutes Cumulative Supplement,
22 2014, is amended to read:

23 77-3442 (1) Property tax levies for the support of local governments
24 for fiscal years beginning on or after July 1, 1998, shall be limited to
25 the amounts set forth in this section except as provided in section
26 77-3444.

27 (2)(a) Except as provided in subdivision (2)(e) of this section,
28 school districts and multiple-district school systems, except, until July
29 1, 2016, learning communities and school districts that are members of
30 learning communities, may levy a maximum levy of one dollar and five
31 cents per one hundred dollars of taxable valuation of property subject to

1 the levy.

2 (b) For each school fiscal year before school fiscal year 2016-17,
3 learning communities may levy a maximum levy for the general fund budgets
4 of member school districts of ninety-five cents per one hundred dollars
5 of taxable valuation of property subject to the levy. The proceeds from
6 the levy pursuant to this subdivision shall be distributed pursuant to
7 section 79-1073.

8 (c) Except as provided in subdivision (2)(e) of this section, for
9 each school fiscal year before school fiscal year 2016-17, school
10 districts that are members of learning communities may levy for purposes
11 of such districts' general fund budget and special building funds a
12 maximum combined levy of the difference of one dollar and five cents on
13 each one hundred dollars of taxable property subject to the levy minus
14 the learning community levies pursuant to subdivisions (2)(b) and (2)(g)
15 of this section for such learning community.

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

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

1 VIII of Public Law 103-382, as such title existed on September 1, 2001.

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

19 (g) For each school fiscal year before school fiscal year 2016-17,
20 learning communities may levy a maximum levy of two cents on each one
21 hundred dollars of taxable property subject to the levy for special
22 building funds for member school districts. The proceeds from the levy
23 pursuant to this subdivision shall be distributed pursuant to section
24 79-1073.01.

25 (h) For each school fiscal year before school fiscal year 2016-17,
26 learning communities may levy a maximum levy of one-half cent on each one
27 hundred dollars of taxable property subject to the levy for elementary
28 learning center facility leases, for remodeling of leased elementary
29 learning center facilities, and for up to fifty percent of the estimated
30 cost for focus school or program capital projects approved by the
31 learning community coordinating council ~~pursuant to section 79-2111.~~

1 (i) For each school fiscal year before school fiscal year 2016-17,
2 learning communities may levy a maximum levy of one and one-half cents on
3 each one hundred dollars of taxable property subject to the levy for
4 early childhood education programs for children in poverty, for
5 elementary learning center employees, for contracts with other entities
6 or individuals who are not employees of the learning community for
7 elementary learning center programs and services, and for pilot projects,
8 except that no more than ten percent of such levy may be used for
9 elementary learning center employees.

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

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

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

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

1 restricted funds budgeted to administer and implement ground water
2 management activities and integrated management activities for FY2003-04,
3 not to exceed one cent on each one hundred dollars of taxable valuation
4 annually on all of the taxable property within the district.

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

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

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

1 community nurse, home health nurse, or home health agency pursuant to
2 section 71-1637, or statue, memorial, or monument pursuant to section
3 80-202.

4 (b) Incorporated cities and villages which are within the boundaries
5 of a municipal county may levy a maximum levy of ninety cents per one
6 hundred dollars of taxable valuation of property subject to the levy. The
7 maximum levy shall include amounts paid to a municipal county for county
8 services, amounts levied to pay for sums to support a library pursuant to
9 section 51-201, a museum pursuant to section 51-501, a visiting community
10 nurse, home health nurse, or home health agency pursuant to section
11 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

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

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

1 specifically covered in this section to levy taxes as authorized by law
2 which do not collectively exceed fifteen cents per one hundred dollars of
3 taxable valuation on any parcel or item of taxable property. The county
4 may allocate to one or more other political subdivisions subject to
5 allocation of property tax authority by the county under subsection (1)
6 of section 77-3443 some or all of the county's five cents per one hundred
7 dollars of valuation authorized for support of an agreement or agreements
8 to be levied by the political subdivision for the purpose of supporting
9 that political subdivision's share of revenue required under an agreement
10 or agreements executed pursuant to the Interlocal Cooperation Act or the
11 Joint Public Agency Act. If an allocation by a county would cause another
12 county to exceed its levy authority under this section, the second county
13 may exceed the levy authority in order to levy the amount allocated.
14 Property tax levies for costs of reassumption of the assessment function
15 pursuant to section 77-1340 or 77-1340.04 are not included in the levy
16 limits established in this subsection for fiscal years 2010-11 through
17 2013-14.

18 (9) Municipal counties may levy or authorize a maximum levy of one
19 dollar per one hundred dollars of taxable valuation of property subject
20 to the levy. The municipal county may allocate levy authority to any
21 political subdivision or entity subject to allocation under section
22 77-3443.

23 (10) Property tax levies (a) for judgments, except judgments or
24 orders from the Commission of Industrial Relations, obtained against a
25 political subdivision which require or obligate a political subdivision
26 to pay such judgment, to the extent such judgment is not paid by
27 liability insurance coverage of a political subdivision, (b) for
28 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
29 for bonds as defined in section 10-134 approved according to law and
30 secured by a levy on property except as provided in section 44-4317 for
31 bonded indebtedness issued by educational service units and school

1 districts, and (d) for payments by a public airport to retire interest-
2 free loans from the Department of Aeronautics in lieu of bonded
3 indebtedness at a lower cost to the public airport are not included in
4 the levy limits established by this section.

5 (11) The limitations on tax levies provided in this section are to
6 include all other general or special levies provided by law.
7 Notwithstanding other provisions of law, the only exceptions to the
8 limits in this section are those provided by or authorized by sections
9 77-3442 to 77-3444.

10 (12) Tax levies in excess of the limitations in this section shall
11 be considered unauthorized levies under section 77-1606 unless approved
12 under section 77-3444.

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

16 (14) For school districts that file a binding resolution on or
17 before May 9, 2008, with the county assessors, county clerks, and county
18 treasurers for all counties in which the school district has territory
19 pursuant to subsection (7) of section 79-458, if the combined levies,
20 except levies for bonded indebtedness approved by the voters of the
21 school district and levies for the refinancing of such bonded
22 indebtedness, are in excess of the greater of (a) one dollar and twenty
23 cents per one hundred dollars of taxable valuation of property subject to
24 the levy or (b) the maximum levy authorized by a vote pursuant to section
25 77-3444, all school district levies, except levies for bonded
26 indebtedness approved by the voters of the school district and levies for
27 the refinancing of such bonded indebtedness, shall be considered
28 unauthorized levies under section 77-1606.

29 Sec. 25. Section 79-102, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-102 School districts in this state are classified as follows:

1 (1) Class I includes any school district that maintains only
2 elementary grades under the direction of a single school board;

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

7 (3) Class III includes any school district embracing territory
8 having a population of more than one thousand and less than one hundred
9 fifty thousand inhabitants that maintains both elementary and high school
10 grades under the direction of a single school board;

11 (4) Class IV includes any school district embracing territory having
12 a population of one hundred thousand or more inhabitants with a city of
13 the primary class within the territory of the district that maintains
14 both elementary and high school grades under the direction of a single
15 school board;

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

25 (6) Class VI includes any school district in this state that
26 maintains only a high school, or a high school and grades seven and eight
27 or six through eight as provided in section 79-411, under the direction
28 of a single school board.

29 Sec. 26. Section 79-201, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 79-201 (1) For purposes of this section, a child is of mandatory

1 attendance age if the child (a) will reach six years of age prior to
2 January 1 of the then-current school year and (b) has not reached
3 eighteen years of age.

4 (2) Except as provided in subsection (3) of this section, every
5 person residing in a school district within the State of Nebraska who has
6 legal or actual charge or control of any child who is of mandatory
7 attendance age or is enrolled in a public school shall cause such child
8 to enroll in, if such child is not enrolled, and attend regularly a
9 public, private, denominational, or parochial day school which meets the
10 requirements for legal operation prescribed in Chapter 79, or a school
11 which elects pursuant to section 79-1601 not to meet accreditation or
12 approval requirements, each day that such school is open and in session,
13 except when excused by school authorities or when illness or severe
14 weather conditions make attendance impossible or impracticable.

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

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

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

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

24 (d)(i) Will reach six years of age prior to January 1 of the then-
25 current school year, but will not reach seven years of age prior to
26 January 1 of such school year, (ii) such child's parent or guardian has
27 signed an affidavit stating that the child is participating in an
28 education program that the parent or guardian believes will prepare the
29 child to enter grade one for the following school year, and (iii) such
30 affidavit has been filed by the parent or guardian with the school
31 district in which the child resides;

1 (e)(i) Will reach six years of age prior to January 1 of the then-
2 current school year but has not reached seven years of age, (ii) such
3 child's parent or guardian has signed an affidavit stating that the
4 parent or guardian intends for the child to participate in a school which
5 has elected or will elect pursuant to section 79-1601 not to meet
6 accreditation or approval requirements and the parent or guardian intends
7 to provide the Commissioner of Education with a statement pursuant to
8 subsection (3) of section 79-1601 on or before the child's seventh
9 birthday, and (iii) such affidavit has been filed by the parent or
10 guardian with the school district in which the child resides; or

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

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

19 (5) For all school years before school year 2016-17, each ~~Each~~
20 school district that is a member of a learning community shall report to
21 the learning community coordinating council on or before September 1 of
22 each year for the immediately preceding school year the following
23 information:

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

26 (b) The results of all investigations conducted pursuant to section
27 79-209, including the attendance record that is the subject of the
28 investigation and a list of services rendered in the case;

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

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

1 Sec. 27. Section 79-215, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-215 (1) Except as otherwise provided in this section, a student
4 is a resident of the school district where he or she resides and shall be
5 admitted to any such school district upon request without charge.

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

8 (3) A school board shall admit any homeless student upon request
9 without charge.

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

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

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

19 (7) For all school years before school year 2016-17, a A school
20 board of any school district that is a member of a learning community
21 shall admit nonresident students to the school district pursuant to the
22 open enrollment provisions of a diversity plan in a learning community as
23 authorized by section 79-2110 as such section existed immediately prior
24 to July 1, 2016, and such admission shall be without charge.

25 (8) A school board may admit a student who is a resident of another
26 state to the school district and collect tuition in advance at a rate
27 determined by the school board.

28 (9) When a student as a ward of the state or as a ward of any court
29 (a) has been placed in a school district other than the district in which
30 he or she resided at the time he or she became a ward and such ward does
31 not reside in a foster family home licensed or approved by the Department

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

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

1 setting to another.

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

25 (c) If a student is residing in a residential setting as described
26 in subdivision (10)(a) of this section and such residential setting
27 maintains an interim-program school as defined in section 79-1119.01 or
28 an approved or accredited school, the department shall reimburse such
29 residential setting for the provision of all educational services,
30 including all special education services and support services, with the
31 amount of payment for all educational services determined pursuant to the

1 average per pupil cost of the service agency as defined in section
2 79-1116. The resident school district shall retain responsibility for
3 such student's individualized education plan, if any. The educational
4 services may be provided through (i) such interim-program school or
5 approved or accredited school, (ii) a contract between the residential
6 setting and the school district in which such residential setting is
7 located, (iii) a contract between the residential setting and another
8 service agency as defined in section 79-1124, or (iv) a combination of
9 such educational service providers.

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

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

25 (11) In the case of any individual eighteen years of age or younger
26 who is a ward of the state or any court and who is placed in a county
27 detention home established under section 43-2,110, the cost of his or her
28 education shall be paid by the state, regardless of the district in which
29 he or she resided at the time he or she became a ward, to the agency or
30 institution which: (a) Is selected by the county board with jurisdiction
31 over such detention home; (b) has agreed or contracted with such county

1 board to provide educational services; and (c) has been approved by the
2 State Department of Education pursuant to rules and regulations
3 prescribed by the State Board of Education.

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

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

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

19 Sec. 28. Section 79-233, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 79-233 For purposes of sections 79-232 to 79-246:

22 (1) Enrollment option program means the program established in
23 section 79-234;

24 (2) Option school district means the public school district that an
25 option student chooses to attend instead of his or her resident school
26 district;

27 (3) Option student means a student that has chosen to attend an
28 option school district. For all school years before school year 2016-17,
29 option student includes ~~including~~ a student who resides in a learning
30 community and began attendance as an option student in an option school
31 district in such learning community prior to the end of the first full

1 school year for which the option school district will be a member of such
2 learning community, but not including a student who resides in a learning
3 community and who attends pursuant to section 79-2110, as such section
4 existed immediately before July 1, 2016, another school district in such
5 learning community;

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

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

13 Sec. 29. Section 79-237, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-237 (1) Except as provided in subsection (2) of this section, For
16 a student to begin attendance as an option student in an option school
17 district, for all school years before school year 2016-17 which is not in
18 a learning community in which the student resides, the student's parent
19 or legal guardian shall submit an application to the school board of the
20 option school district between September 1 and March 15 for attendance
21 during the following and subsequent school years. Except as provided in
22 subsection (2) of this section, applications submitted after March 15
23 shall contain a release approval from the resident school district on the
24 application form prescribed and furnished by the State Department of
25 Education pursuant to subsection (8) of this section. A district may not
26 accept or approve any applications submitted after such date without such
27 a release approval. The option school district shall provide the resident
28 school district with the name of the applicant on or before April 1 or,
29 in the case of an application submitted after March 15, within sixty days
30 after submission. The option school district shall notify, in writing,
31 the parent or legal guardian of the student and the resident school

1 district whether the application is accepted or rejected on or before
2 April 1 or, in the case of an application submitted after March 15,
3 within sixty days after submission.

4 (2) A student who relocates to a different resident school district
5 after February 1, whose option school district merges with another
6 district effective after February 1, or whose qualification for the
7 option for school year 2013-14 is changed pursuant to the changes made to
8 subsection (1) of section 79-234 by Laws 2013, LB410, may submit an
9 application to the school board of an option school district for
10 attendance during the immediately following and subsequent school years.
11 Such application does not require the release approval of the resident
12 school district. The option school district shall accept or reject such
13 application within forty-five days.

14 (3) For all school years before school year 2016-17, for a student
15 who resides in a learning community to begin attendance in an option
16 school district which is a member of such learning community, the
17 student's parent or legal guardian shall submit an application to the
18 school board of the option school district ~~(a) for any learning community~~
19 ~~established prior to February 13, 2009, between February 13, 2009, and~~
20 ~~April 1, 2009, or (b) for any learning community established thereafter,~~
21 between September 1 and March 15. Applications submitted after such
22 deadlines shall be accompanied by a written release from the resident
23 school district. Students who reside in a learning community shall only
24 begin attendance in an option school district which is a member of such
25 learning community prior to the end of the first full school year for
26 which the option school district is a member of such learning community.
27 The option school district shall provide the resident school district
28 with the name of the applicant within five days after the applicable
29 deadline. The option school district shall notify, in writing, the parent
30 or legal guardian of the student and the resident school district whether
31 the application is accepted or rejected on or before April 1. A parent or

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

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

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

22 (6) Except as provided in subsection (5) of this section, the option
23 student shall attend the option school district until graduation unless
24 the student relocates in a different resident school district, transfers
25 to a private or parochial school, or chooses to return to the resident
26 school district.

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

1 cancellation.

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

4 (9) An option student who subsequently chooses to attend a private
5 or parochial school shall be automatically accepted to return to either
6 the resident school district or option school district upon the
7 completion of the grade levels offered at the private or parochial
8 school. If such student chooses to return to the option school district,
9 the student's parent or legal guardian shall submit another application
10 to the school board of the option school district which shall be
11 automatically accepted, and the deadlines prescribed in this section
12 shall be waived.

13 Sec. 30. Section 79-238, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 79-238 (1) Except as provided in section 79-240, the school board of
16 the option school district shall adopt by resolution specific standards
17 for acceptance and rejection of applications. Standards may include the
18 capacity of a program, class, grade level, or school building or the
19 availability of appropriate special education programs operated by the
20 option school district. Capacity shall be determined by setting a maximum
21 number of option students that a district will accept in any program,
22 class, grade level, or school building, based upon available staff,
23 facilities, projected enrollment of resident students, projected number
24 of students with which the option school district will contract based on
25 existing contractual arrangements, and availability of appropriate
26 special education programs. The school board of the option school
27 district may by resolution declare a program, a class, or a school
28 unavailable to option students due to lack of capacity. Standards shall
29 not include previous academic achievement, athletic or other
30 extracurricular ability, disabilities, proficiency in the English
31 language, or previous disciplinary proceedings except as provided in

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

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

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

15 (4) For any school year before school year 2016-17, any Any option
16 school district that is in a learning community shall give second
17 priority for enrollment to students who reside in the learning community
18 and who contribute to the socioeconomic diversity of enrollment as
19 defined in section 79-2110, as such section existed immediately prior to
20 July 1, 2016, at the school building to which the student will be
21 assigned pursuant to section 79-235.

22 Sec. 31. Section 79-2,104, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-2,104 (1) Any student in any public school or his or her parents,
25 guardians, teachers, counselors, or school administrators shall have
26 access to the school's files or records maintained concerning such
27 student, including the right to inspect, review, and obtain copies of
28 such files or records. No other person shall have access to such files or
29 records except (a) when a parent, guardian, or student of majority age
30 provides written consent or (b) as provided in subsection (3) of this
31 section. The contents of such files or records shall not be divulged in

1 any manner to any unauthorized person. All such files or records shall be
2 maintained so as to separate academic and disciplinary matters, and all
3 disciplinary material shall be removed and destroyed after a student's
4 continuous absence from the school for a period of three years.

5 (2) Each public school may establish a schedule of fees representing
6 a reasonable cost of reproduction for copies of a student's files or
7 records for the parents or guardians of such student, except that the
8 imposition of a fee shall not prevent parents of students from exercising
9 their right to inspect and review the students' files or records and no
10 fee shall be charged to search for or retrieve any student's files or
11 records.

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

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

31 (4) The Legislature finds and declares that the sharing of student

1 data, records, and information among school districts, educational
2 service units, ~~learning communities,~~ and the State Department of
3 Education, to the fullest extent practicable and permitted by law, is
4 vital to advancing education in this state. Whenever applicable law
5 permits the sharing of such student data, records, and information, each
6 school district and ~~educational service unit, and learning community~~
7 shall comply unless otherwise prohibited by law. The State Board of
8 Education shall adopt and promulgate rules and regulations providing for
9 and requiring the uniform sharing of student data, records, and
10 information among school districts, educational service units, ~~learning~~
11 ~~communities,~~ and the department.

12 Sec. 32. Section 79-407, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 79-407 The territory within the corporate limits of each
15 incorporated city or village in the State of Nebraska ~~that is not in part~~
16 ~~within the boundaries of a learning community,~~ together with such
17 additional territory and additions to such city or village as may be
18 added thereto, as declared by ordinances to be boundaries of such city or
19 village, having a population of more than one thousand and less than one
20 hundred fifty thousand inhabitants, including such adjacent territory as
21 now is or hereafter may be attached for school purposes, shall constitute
22 a Class III school district, ~~except that nothing in this section shall be~~
23 ~~construed to change the boundaries of any school district that is a~~
24 ~~member of a learning community.~~ The school district shall be a body
25 corporate and possess all the usual powers of a corporation for public
26 purposes and may sue and be sued, purchase, hold, and sell such personal
27 and real property, and control such obligations as are authorized by law.

28 Sec. 33. Section 79-408, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-408 The territory now or hereafter embraced within each
31 incorporated city of the primary class in the State of Nebraska ~~that is~~

1 ~~not in part within the boundaries of a learning community~~, such adjacent
2 territory as now or hereafter may be included therewith for school
3 purposes, and such territory not adjacent thereto as may have been added
4 thereto by law shall constitute a Class IV school district, ~~except that~~
5 ~~nothing in this section shall be construed to change the boundaries of~~
6 ~~any school district that is a member of a learning community~~. A Class IV
7 school district shall be a body corporate and possess all the usual
8 powers of a corporation for public purposes, may sue and be sued, and may
9 purchase, hold, and sell such personal and real estate and contract such
10 obligations as are authorized by law. The powers of a Class IV district
11 include, but are not limited to, the power to adopt, administer, and
12 amend from time to time such retirement, annuity, insurance, and other
13 benefit plans for its present and future employees after their
14 retirement, or any reasonable classification thereof, as may be deemed
15 proper by the board of education. The board of education shall not
16 establish a retirement system for new employees supplemental to the
17 School Employees Retirement System of the State of Nebraska.

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

23 In the discretion of the board of education, funds accumulated in
24 connection with a retirement plan may be transferred to and administered
25 by a trustee or trustees to be selected by the board of education, or if
26 the retirement plan is in the form of annuity or insurance contracts,
27 such funds, or any part thereof, may be paid to a duly licensed insurance
28 carrier or carriers selected by the board of education. Funds accumulated
29 in connection with any such retirement plan, and any other funds of the
30 school district which are not immediately required for current needs or
31 expenses, may be invested and reinvested by the board of education or by

1 its authority in securities of a type permissible either for the
2 investment of funds of a domestic legal reserve life insurance company or
3 for the investment of trust funds, according to the laws of the State of
4 Nebraska.

5 Sec. 34. Section 79-413, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-413 (1) The State Committee for the Reorganization of School
8 Districts created under section 79-435 may create a new school district
9 from other districts, change the boundaries of any district ~~that is not a~~
10 ~~member of a learning community~~, or affiliate a Class I district or
11 portion thereof with one or more existing Class II, III, IV, or V
12 districts upon receipt of petitions signed by sixty percent of the legal
13 voters of each district affected. If the petitions contain signatures of
14 at least sixty-five percent of the legal voters of each district
15 affected, the state committee shall approve the petitions. When area is
16 added to a Class VI district or when a Class I district which is entirely
17 or partially within a Class VI district is taken from the Class VI
18 district, the Class VI district shall be deemed to be an affected
19 district.

20 Any petition of the legal voters of a Class I district in which no
21 city or village is situated which is commenced after January 1, 1996, and
22 proposes the dissolution of the Class I district and the attachment of a
23 portion of it to two or more districts shall require signatures of more
24 than fifty percent of the legal voters of such Class I district. If the
25 state committee determines that such petition contains valid signatures
26 of more than fifty percent of the legal voters of such Class I district,
27 the state committee shall grant the petition.

28 (2)(a) Petitions proposing to change the boundaries of existing
29 school districts ~~that are not members of a learning community~~ through the
30 transfer of a parcel of land, not to exceed six hundred forty acres,
31 shall be approved by the state committee when the petitions involve the

1 transfer of land between Class I, II, III, or IV school districts or when
2 there would be an exchange of parcels of land between Class I, II, III,
3 or IV school districts and the petitions have the approval of at least
4 sixty-five percent of the school board of each affected district. If the
5 transfer of the parcel of land is from a Class I school district to one
6 or more Class II, III, IV, V, or VI school districts of which the parcel
7 is not a part or with which the parcel is not affiliated, any Class II,
8 III, IV, V, or VI school district of which the parcel is not a part or
9 with which the parcel is affiliated shall be deemed an affected district.

10 (b) The state committee shall not approve a change of boundaries
11 pursuant to this section relating to affiliation of school districts if
12 twenty percent or more of any tract of land under common ownership which
13 is proposing to affiliate is not contiguous to the high school district
14 with which affiliation is proposed unless (i) one or more resident
15 students of the tract of land under common ownership has attended the
16 high school program of the high school district within the immediately
17 preceding ten-year period or (ii) approval of the petition or plan would
18 allow siblings of such resident students to attend the same school as the
19 resident students attended.

20 (3)(a) Petitions proposing to create a new school district, to
21 change the boundary lines of existing school districts ~~that are not~~
22 ~~members of a learning community~~, to create an affiliated school system,
23 or to affiliate a Class I district in part and to join such district in
24 part with a Class VI district, any of which involves the transfer of more
25 than six hundred forty acres, shall, when signed by at least sixty
26 percent of the legal voters in each district affected, be submitted to
27 the state committee. In the case of a petition for affiliation or a
28 petition to affiliate in part and in part to join a Class VI district,
29 the state committee shall review the proposed affiliation subject to
30 sections 79-425 and 79-426. The state committee shall, within forty days
31 after receipt of the petition, hold one or more public hearings and

1 review and approve or disapprove such proposal.

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

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

13 (4) Any person adversely affected by the changes made by the state
14 committee may appeal to the district court of any county in which the
15 real estate or any part thereof involved in the dispute is located. If
16 the real estate is located in more than one county, the court in which an
17 appeal is first perfected shall obtain jurisdiction to the exclusion of
18 any subsequent appeal.

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

24 Sec. 35. Section 79-415, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-415 (1) In addition to the petitions of legal voters pursuant to
27 section 79-413, changes in boundaries and the creation of a new school
28 district from other districts may be initiated and accepted by the school
29 board or board of education of any district ~~that is not a member of a~~
30 ~~learning community.~~

31 (2) In addition to the petitions of legal voters pursuant to section

1 79-413, the affiliation of a Class I district or portion thereof with one
2 or more Class II, III, IV, or V districts may be initiated and accepted
3 by:

4 (a) The board of education of any Class II, III, IV, or V district;
5 and

6 (b) The school board of any Class I district in which is located a
7 city or incorporated village.

8 Sec. 36. Section 79-416, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-416 When the legal voters of a Class I or Class II school
11 district ~~that is not a member of a learning community~~ and in which no
12 city or village is located petition to merge in whole or in part with a
13 Class I or Class II district, the merger may be accepted by petition of
14 the school board of the accepting district. When the legal voters of a
15 Class I district petition to affiliate in whole or in part with one or
16 more Class II, III, IV, or V districts, such affiliation may be accepted
17 or rejected by petition of the school board or board of education of any
18 such district, but in either case the petition to affiliate shall be
19 accepted or rejected within sixty days after the date of receipt of the
20 petition by the school board or board of education of such district.

21 Sec. 37. Section 79-433, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-433 For purposes of the Reorganization of School Districts Act,
24 unless the context otherwise requires:

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

31 (2) State committee means the State Committee for the Reorganization

1 of School Districts created by section 79-435.

2 Sec. 38. Section 79-452, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-452 A proposal to dissolve a Class I or II school district,
5 except a Class I school district which is partly or wholly within a Class
6 VI school district, and attach it to one or more existing Class II, III,
7 or IV school districts ~~that are not members of a learning community~~ may
8 be initiated by filing with the State Committee for the Reorganization of
9 School Districts a petition or petitions signed by at least twenty-five
10 percent of the legal voters of the district, together with an affidavit
11 from the county clerk or election commissioner listing all legal voters
12 of the district and a determination by the county clerk or election
13 commissioner that the signatures are sufficient. The petition shall
14 contain a plan of the proposed reorganization, an effective date, and a
15 statement whether any existing bonded indebtedness shall remain on the
16 property of the district which incurred it or be assumed by the enlarged
17 district. The petition may also contain provisions for the holding of
18 school within existing buildings in the proposed reorganized district,
19 and when so provided, the holding of school within such buildings shall
20 be maintained from the date of reorganization unless either the legal
21 voters served by the school or the school board of the reorganized
22 district votes by a majority vote for discontinuance of the school. In
23 case of conflicting votes between the legal voters and the school board
24 on such issue, the decision of the legal voters shall prevail. A signing
25 petitioner shall not be permitted to withdraw his or her name from the
26 petition after the petition has been filed. The school board of each
27 Class II, III, or IV district to which the merger is proposed shall also
28 submit to the state committee a statement to the effect that a majority
29 of the board members approve the proposal contained in the petition.

30 Sec. 39. Section 79-458, Reissue Revised Statutes of Nebraska, is
31 amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17 Sec. 40. Section 79-458.01, Reissue Revised Statutes of Nebraska, is
18 amended to read:

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

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

30 Sec. 41. Section 79-467, Reissue Revised Statutes of Nebraska, is
31 amended to read:

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

21 Sec. 42. Section 79-468, Reissue Revised Statutes of Nebraska, is
22 amended to read:

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

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

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

15 Sec. 43. Section 79-473, Reissue Revised Statutes of Nebraska, is
16 amended to read:

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

28 (2) Notwithstanding subsection (1) of this section, when territory
29 which lies within a Class III school district, Class VI school district,
30 or Class I school district which is attached to a Class VI school
31 district or which does not lie within a Class IV or V school district is

1 annexed by a city or village pursuant to section 79-407, the affected
2 school board of the city or village school district and the affected
3 school board or boards serving the territory subject to the annexation
4 ordinance shall meet within thirty days after the effective date of the
5 annexation ordinance ~~if neither school district is a member of a learning~~
6 ~~community~~ and negotiate in good faith as to which school district shall
7 serve the annexed territory and the effective date of any transfer.
8 During the process of negotiation, the affected boards shall consider the
9 following criteria:

10 (a) The educational needs of the students in the affected school
11 districts;

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

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

16 (d) Community educational planning.

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

31 (3) If, within the boundaries of the annexed territory, there exists

1 a Class VI school, the school building, facilities, and land owned by the
2 school district shall remain a part of the Class VI school district. If
3 the Class VI school district from which territory is being annexed wishes
4 to dispose of such school building, facilities, or land to any individual
5 or political subdivision, including a Class I school district, the
6 question of such disposition shall be placed on the ballot for the next
7 primary or general election. All legal voters of such Class VI school
8 district shall then vote on the question at such election. A simple
9 majority of the votes cast shall resolve the issue.

10 (4) Whenever an application for approval of a final plat or replat
11 is filed for territory which lies within the zoning jurisdiction of a
12 city of the first or second class and does not lie within the boundaries
13 of a Class IV or V school district, ~~the boundaries of a school district~~
14 ~~that is a member of a learning community,~~ the boundaries of any county in
15 which a city of the metropolitan class is located, or the boundaries of
16 any county that has a contiguous border with a city of the metropolitan
17 class, the affected school board of the school district within the city
18 of the first or second class or its representative and the affected board
19 or boards serving the territory subject to the final plat or replat or
20 their representative shall meet within thirty days after such application
21 and negotiate in good faith as to which school district shall serve the
22 platted or replatted territory and the effective date of any transfer
23 based upon the criteria prescribed in subsection (2) of this section.

24 If no agreement has been reached prior to the approval of the final
25 plat or replat, the territory shall transfer to the school district of
26 the city of the first or second class upon the filing of the final plat
27 unless an affected school district petitions the district court within
28 ten days after approval of the final plat or replat and obtains an order
29 enjoining the transfer and requiring the affected boards to continue
30 negotiation. The court shall issue the order upon a finding that the
31 affected board or boards have not negotiated in good faith based on one

1 or more of the criteria listed in subsection (2) of this section. The
2 district court shall require no bond or other surety as a condition for
3 any preliminary injunctive relief. If no agreement is reached after such
4 order by the district court and additional negotiations, the platted or
5 replatted territory shall become a part of the school district of the
6 city of the first or second class.

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

11 (5) Notwithstanding any other provisions of this section, all
12 negotiated agreements relative to boundaries or to real or personal
13 property of school districts reached by the affected school boards shall
14 be valid and binding, ~~except that such agreements shall not be binding on~~
15 ~~reorganization plans pursuant to the Learning Community Reorganization~~
16 ~~Act.~~

17 Sec. 44. Section 79-527, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-527 (1) The superintendent or head administrator of a public
20 school district or a nonpublic school system shall annually report to the
21 Commissioner of Education in such detail and on such date as required by
22 the commissioner the number of students who have dropped out of school.
23 For all school years before school year 2016-17, school ~~School~~ districts
24 that are members of learning communities shall also provide the learning
25 community coordinating council with a copy of such report on or before
26 the date the report is due to the commissioner.

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

30 Sec. 45. Section 79-528, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 79-528 (1)(a) On or before July 20 in all school districts, the
2 superintendent shall file with the State Department of Education a report
3 showing the number of children from five through eighteen years of age
4 belonging to the school district according to the census taken as
5 provided in sections 79-524 and 79-578. For all school years before
6 school year 2016-17, on ~~On~~ or before August 31, the department shall
7 issue to each learning community coordinating council a report showing
8 the number of children from five through eighteen years of age belonging
9 to the learning community based on the member school districts according
10 to the school district reports filed with the department.

11 (b) Each Class I school district which is part of a Class VI school
12 district offering instruction (i) in grades kindergarten through five
13 shall report children from five through ten years of age, (ii) in grades
14 kindergarten through six shall report children from five through eleven
15 years of age, and (iii) in grades kindergarten through eight shall report
16 children from five through thirteen years of age.

17 (c) Each Class VI school district offering instruction (i) in grades
18 six through twelve shall report children who are eleven through eighteen
19 years of age, (ii) in grades seven through twelve shall report children
20 who are twelve through eighteen years of age, and (iii) in grades nine
21 through twelve shall report children who are fourteen through eighteen
22 years of age.

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

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

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

31 (2) On or before June 30 the superintendent of each school district

1 shall file with the Commissioner of Education a report described as an
2 end-of-the-school-year annual statistical summary showing (a) the number
3 of children attending school during the year under five years of age, (b)
4 the length of time the school has been taught during the year by a
5 qualified teacher, (c) the length of time taught by each substitute
6 teacher, and (d) such other information as the Commissioner of Education
7 directs. For all school years before school year 2016-17, on or before
8 July 31, the commissioner shall issue to each learning community
9 coordinating council an end-of-the-school-year annual statistical summary
10 for the learning community based on the member school districts according
11 to the school district reports filed with the commissioner.

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

21 (b) For all school years before school year 2016-17, on or before
22 December 15, the commissioner shall issue to each learning community
23 coordinating council an annual financial report for the learning
24 community based on the member school districts according to the annual
25 financial reports filed with the commissioner, showing (i) the aggregate
26 amount of money received from all sources during the year for all member
27 school districts and the aggregate amount of money expended by member
28 school districts during the year, (ii) the aggregate amount of bonded
29 indebtedness for all member school districts, (iii) such other aggregate
30 information as shall be necessary to fulfill the requirements of the Tax
31 Equity and Educational Opportunities Support Act and section 79-1114 for

1 all member school districts, and (iv) such other aggregate information as
2 the Commissioner of Education directs for all member school districts.

3 (4)(a) On or before October 15 of each year, the superintendent of
4 each school district shall file with the commissioner the fall school
5 district membership report, which report shall include the number of
6 children from birth through twenty years of age enrolled in the district
7 on the last Friday in September of a given school year. The report shall
8 enumerate (i) students by grade level, (ii) school district levies and
9 total assessed valuation for the current fiscal year, and (iii) such
10 other information as the Commissioner of Education directs.

11 (b) For all school years before school year 2016-17, on ~~or~~ or before
12 October 15 of each year, each learning community coordinating council
13 shall issue to the department a report which enumerates the learning
14 community levies pursuant to subdivisions (2)(b) and (g) of section
15 77-3442 and total assessed valuation for the current fiscal year.

16 (c) For all school years before school year 2016-17, on ~~or~~ or before
17 November 15 of each year, the department shall issue to each learning
18 community coordinating council the fall learning community membership
19 report, which report shall include the aggregate number of children from
20 birth through twenty years of age enrolled in the member school districts
21 on the last Friday in September of a given school year for all member
22 school districts. The report shall enumerate (i) the aggregate students
23 by grade level for all member school districts, (ii) school district
24 levies and total assessed valuation for the current fiscal year, and
25 (iii) such other information as the Commissioner of Education directs for
26 all member school districts.

27 (d) When any school district fails to submit its fall membership
28 report by November 1, the commissioner shall, after notice to the
29 district and an opportunity to be heard, direct that any state aid
30 granted pursuant to the Tax Equity and Educational Opportunities Support
31 Act be withheld until such time as the report is received by the

1 department. In addition, the commissioner shall direct the county
2 treasurer to withhold all school money belonging to the school district
3 until such time as the commissioner notifies the county treasurer of
4 receipt of such report. The county treasurer shall withhold such money.

5 Sec. 46. Section 79-549, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 ~~79-549 (1) The school board of any Class III school district that~~
8 ~~is a member of a learning community may place before the legal voters of~~
9 ~~the school district the issue of whether to begin to have a caucus for~~
10 ~~nominations by adopting a resolution to place the issue before the legal~~
11 ~~voters and certifying the issue to the election commissioner or county~~
12 ~~clerk prior to September 1 for placement on the ballot at the next~~
13 ~~statewide general election. The legal voters of the school district may~~
14 ~~also have the issue placed on the ballot at the statewide general~~
15 ~~election by circulating a petition and gathering the signatures of the~~
16 ~~legal voters residing within the school district at least equal to seven~~
17 ~~percent of the number of persons registered to vote in the school~~
18 ~~district at the last statewide primary election. The petitions shall be~~
19 ~~filed with the election commissioner or county clerk for signature~~
20 ~~verification on or before August 15 prior to a statewide general~~
21 ~~election. If the election commissioner or county clerk determines that~~
22 ~~the appropriate number of legal voters signed the petition, he or she~~
23 ~~shall place the issue on the ballot for the next statewide general~~
24 ~~election. The issue shall not be placed on the ballot again within four~~
25 ~~years after voting on the issue at a statewide general election.~~

26 (1 2) Any Class III school district that nominated school board
27 members by caucus pursuant to this section as it existed immediately
28 before the operative date of this section July 14, 2006, shall continue
29 such procedure until the legal voters of the district vote not to
30 continue to have a caucus for nominations pursuant to subsection (2 3) of
31 this section. A caucus shall be held pursuant to subsection (4 5) of this

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

14 (2 3) The school board may place before the legal voters of the
15 school district the issue of whether to continue to have a caucus for
16 nominations by adopting a resolution to place the issue before the legal
17 voters and certifying the issue to the election commissioner or county
18 clerk prior to September 1 for placement on the ballot at the next
19 statewide general election. The legal voters of the school district may
20 also have the issue placed on the ballot at the statewide general
21 election by circulating a petition and gathering the signatures of the
22 legal voters residing within the school district at least equal to seven
23 percent of the number of persons registered to vote in the school
24 district at the last statewide primary election. The petitions shall be
25 filed with the election commissioner or county clerk for signature
26 verification on or before August 15 prior to a statewide general
27 election. If the election commissioner or county clerk determines that
28 the appropriate number of legal voters signed the petition, he or she
29 shall place the issue on the ballot for the next statewide general
30 election. The issue shall not be placed on the ballot again within four
31 years after voting on the issue at a statewide general election.

1 (3 4) If the legal voters vote not to continue to have a caucus, the
2 school board shall determine the number of members to be nominated and
3 elected as provided in subsection (2) of section 32-543. The terms of the
4 members in office at the time of the vote shall be extended to the first
5 Thursday after the first Tuesday in January after the expiration of their
6 terms. At the first general election following the vote, a number of
7 members receiving the greatest number of votes shall be elected for a
8 term of four years and a number of members receiving the next greatest
9 number of votes shall be elected for a term of two years so that
10 approximately one-half of the school board members are elected every two
11 years.

12 (4 5) A school district which uses a caucus for nominations shall
13 develop rules and procedures for conducting the caucus which will ensure:

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

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

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

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

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

30 (f) Notification of nomination to the candidates and to the
31 secretary of the school board.

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

3 Sec. 47. Section 79-611, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-611 (1) The school board of any school district shall provide
6 free transportation, partially provide free transportation, or pay an
7 allowance for transportation in lieu of free transportation as follows:

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

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

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

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

31 ~~(2)(a) The school board of any school district that is a member of a~~

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

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

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

31 ~~(2 3) The transportation allowance which may be paid to the parent,~~

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

9 (3 4) Whenever students from more than one family travel to school
10 in the same vehicle, the transportation allowance prescribed in
11 subsection (2 3) of this section shall be payable as follows:

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

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

27 (4 5) When a student who qualifies under the mileage requirements of
28 subsection (1) of this section lives more than three miles from the
29 location where the student must be picked up and dropped off in order to
30 access school-provided free transportation, as measured by the shortest
31 route that must actually and necessarily be traveled by motor vehicle

1 between his or her residence and such location, such school-provided
2 transportation shall be deemed partially provided free transportation.
3 School districts partially providing free transportation shall pay an
4 allowance to the student's parent or guardian equal to two hundred
5 eighty-five percent of the mileage rate provided in section 81-1176
6 multiplied by each mile actually and necessarily traveled, on each day of
7 attendance, beyond which the one-way distance from the residence of the
8 student to the location where the student must be picked up and dropped
9 off exceeds three miles.

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

20 (6 7) No more than one allowance shall be made to a family
21 irrespective of the number of students in a family being transported to
22 school. If a family resides in a Class I district which is part of a
23 Class VI district and has students enrolled in any of the grades offered
24 by the Class I district and in any of the non-high-school grades offered
25 by the Class VI district, such family shall receive not more than one
26 allowance for the distance actually traveled when both districts are on
27 the same direct travel route with one district being located a greater
28 distance from the residence than the other. In such cases, the travel
29 allowance shall be prorated among the school districts involved.

30 (7 8) No student shall be exempt from school attendance on account
31 of distance from the public schoolhouse.

1 Sec. 48. Section 79-760.02, Reissue Revised Statutes of Nebraska, is
2 amended to read:

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

15 Sec. 49. Section 79-760.03, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-760.03 (1) For school year 2009-10 and each school year
18 thereafter, the State Board of Education shall implement a statewide
19 system for the assessment of student learning and for reporting the
20 performance of school districts, and of learning communities prior to
21 July 1, 2016, pursuant to this section. The assessment and reporting
22 system shall measure student knowledge of subject matter materials
23 covered by measurable academic content standards selected by the state
24 board.

25 (2) The state board shall adopt a plan for an assessment and
26 reporting system and implement and maintain the assessment and reporting
27 system according to such plan. The plan shall be submitted annually to
28 the State Department of Education, the Governor, the chairperson of the
29 Education Committee of the Legislature, and the Clerk of the Legislature.
30 The plan submitted to the committee and the Clerk of the Legislature
31 shall be submitted electronically. The state board shall select grade

1 levels for assessment and reporting required pursuant to subsections (4)
2 through (7) of this section. The purposes of the system are to:

3 (a) Determine how well public schools are performing in terms of
4 achievement of public school students related to the state academic
5 content standards;

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

8 (c) Provide information for the public and policymakers on the
9 performance of public schools; and

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

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

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

1 (5) For school year 2009-10 and for each school year thereafter, the
2 state board shall prescribe a statewide assessment of reading. The
3 statewide assessment of reading shall include assessment instruments for
4 each of the grade levels three through eight and for one grade in high
5 school and standards adopted by the state board pursuant to section
6 79-760.01.

7 (6) For no later than school year 2010-11 and for each school year
8 thereafter, the state board shall prescribe a statewide assessment of
9 mathematics. The statewide assessment of mathematics shall include
10 assessment instruments for each of the grade levels three through eight
11 and for one grade in high school and standards adopted by the state board
12 pursuant to section 79-760.01. If no statewide assessment of mathematics
13 is administered in school year 2009-10, school districts shall report
14 mathematics assessment results in the same manner as such information was
15 reported in school year 2008-09.

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

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

30 (9) The state board shall recommend national assessment instruments
31 for the purpose of national comparison. Each school district shall report

1 individual student data for scores and sub-scores according to procedures
2 established by the state board and the department pursuant to section
3 79-760.05.

4 (10) The aggregate results of assessment instruments and national
5 assessment instruments shall be reported by the district on a building
6 basis to the public in that district, until July 1, 2016, to the learning
7 community coordinating council if such district is a member of a learning
8 community, and to the department. Until July 1, 2016, each ~~Each~~ learning
9 community shall also report the aggregate results of any assessment
10 instruments and national assessment instruments to the public in that
11 learning community and to the department. The department shall report the
12 aggregate results of any assessment instruments and national assessment
13 instruments on a ~~learning community,~~ district, and building basis, and on
14 a learning community basis until July 1, 2016, as part of the statewide
15 assessment and reporting system.

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

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

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

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

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

29 (12) The state board may select additional grade levels and
30 additional subject areas for statewide assessment instruments to comply
31 with federal requirements.

1 (13) The state board shall not require school districts to
2 administer assessments or assessment instruments other than as prescribed
3 by the act.

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

7 Sec. 50. Section 79-760.05, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 79-760.05 (1) The State Board of Education shall implement a
10 statewide system for tracking individual student achievement, using the
11 student identifier system of the State Department of Education, that can
12 be aggregated to track student progress by demographic characteristics,
13 including, but not limited to, race, poverty, high mobility, attendance,
14 and limited English proficiency, on available measures of student
15 achievement which include, but need not be limited to, national
16 assessment instruments, state assessment instruments, and the indicators
17 used in the accountability system required pursuant to section 79-760.06.
18 Such a system shall be designed so as to aggregate student data by
19 available educational input characteristics, which may include class
20 size, teacher education, teacher experience, special education, early
21 childhood programs, federal programs, and other targeted education
22 programs. School districts shall provide the department with individual
23 student achievement data from assessment instruments required pursuant to
24 section 79-760.03 in order to implement the statewide system.

25 (2) The department shall annually analyze and report on student
26 achievement for the state, each school district, each public school, and
27 until July 1, 2016, each learning community, aggregated by the
28 demographic characteristics described in subsection (1) of this section.
29 The department shall report the findings to the Governor, the
30 Legislature, school districts, and educational service units, and until
31 July 1, 2016, each learning community. The report submitted to the

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

7 Sec. 51. Section 79-769, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 79-769 (1) Any school district or any two or more school districts
10 forming a joint entity pursuant to subsection (3) of this section ~~one or~~
11 ~~more member school districts of a learning community~~ may establish one or
12 more focus programs, focus schools, or magnet schools. ~~A If included as~~
13 ~~part of the diversity plan of a learning community,~~ the focus school or
14 focus program shall be eligible for a focus school and program allowance
15 pursuant to section 79-1007.05.

16 (2) Focus schools, focus programs, and magnet schools may be
17 included in pathways across member school districts. A student who will
18 complete the grades offered at a focus program, focus school, or magnet
19 school that is part of a pathway shall be allowed to attend the focus
20 program, focus school, or magnet school offering the next grade level as
21 part of the pathway as a continuing student. A student who completes the
22 grades offered at a focus program, focus school, or magnet school shall
23 be allowed to attend a school offering the next grade level in the school
24 district responsible for the focus program, focus school, or magnet
25 school as a continuing student. A student who attended a program or
26 school in the school year immediately preceding the first school year for
27 which the program or school will operate as a focus program or focus
28 school meeting the requirements of this section and who has not completed
29 the grades offered at the focus program or focus school shall be a
30 continuing student in the focus program or focus school pursuant to the
31 ~~diversity plan developed by the learning community coordinating council~~

1 ~~pursuant to section 79-2104.~~

2 (3) If multiple ~~member~~ school districts collaborate on a focus
3 program, focus school, or magnet school, the school districts shall form
4 a joint entity pursuant to the Interlocal Cooperation Act for the purpose
5 of creating, implementing, and operating such focus program, focus
6 school, or magnet school. The agreement creating such joint entity shall
7 address legal, financial, and academic responsibilities and the
8 assignment to participating school districts of students enrolled in such
9 focus program, focus school, or magnet school who reside in
10 nonparticipating school districts.

11 (4) For purposes of this section:

12 (a) Focus program means a program that does not have an attendance
13 area, whose enrollment is designed so that the socioeconomic diversity of
14 the students attending the focus program reflects as nearly as possible
15 the socioeconomic diversity of the student body of the school district or
16 districts establishing the focus program learning community, which has a
17 unique curriculum with specific learning goals or teaching techniques
18 different from the standard curriculum, which may be housed in a building
19 with other public school programs, and which may consist of either the
20 complete education program for participating students or part of the
21 education program for participating students;

22 (b) Focus school means a school that does not have an attendance
23 area, whose enrollment is designed so that the socioeconomic diversity of
24 the students attending the focus school reflects as nearly as possible
25 the socioeconomic diversity of the student body of the school district or
26 districts establishing the focus school learning community, which has a
27 unique curriculum with specific learning goals or teaching techniques
28 different from the standard curriculum, and which is housed in a building
29 that does not contain another public school program;

30 (c) Magnet school means a school having a home attendance area but
31 which reserves a portion of its capacity specifically for students from

1 outside the attendance area who will contribute to the socioeconomic
2 diversity of the student body of such school and which has a unique
3 curriculum with specific learning goals or teaching techniques different
4 from the standard curriculum; and

5 (d) Pathway means elementary, middle, and high school focus
6 programs, focus schools, and magnet schools with coordinated curricula
7 based on specific learning goals or teaching techniques.

8 Sec. 52. Section 79-777, Reissue Revised Statutes of Nebraska, is
9 amended to read:

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

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

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

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

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

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

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

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

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

8 Sec. 53. Section 79-850, Reissue Revised Statutes of Nebraska, is
9 amended to read:

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

11 (1) Reorganized school district means: (a) Any expanded or altered
12 school district, organized or altered by any of the means provided by
13 Nebraska law including, but not limited to, the methods provided by the
14 Reorganization of School Districts Act, ~~the Learning Community~~
15 ~~Reorganization Act~~, section 79-407, 79-413, or 79-473, or sections 79-415
16 to 79-417 or 79-452 to 79-455; or (b) any school district to be formed in
17 the future if the petition or plan for such reorganized school district
18 has been approved pursuant to any of the methods set forth in subdivision
19 (1)(a) of this section when the effective date of such reorganization is
20 prospective. For purposes of this subdivision, a petition or plan shall
21 be deemed approved when the last legal action has been taken, as
22 prescribed in section 79-413, 79-450, or 79-455, necessary to effect the
23 changes in boundaries as set forth in the petition or plan; and

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

27 Sec. 54. Section 79-979, Reissue Revised Statutes of Nebraska, is
28 amended to read:

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

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

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

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

22 Sec. 55. Section 79-1003, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-1003 For purposes of the Tax Equity and Educational Opportunities
25 Support Act:

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

1 proficiency allowance, distance education and telecommunications
2 allowance, elementary site allowance, summer school allowance,
3 instructional time allowance, teacher education allowance, and focus
4 school and program allowance, and (b) for school fiscal year 2016-17 and
5 each school fiscal year thereafter, the difference of the general fund
6 operating expenditures as calculated pursuant to subdivision (22) of this
7 section increased by the cost growth factor calculated pursuant to
8 section 79-1007.10, minus the transportation allowance, special receipts
9 allowance, poverty allowance, limited English proficiency allowance,
10 distance education and telecommunications allowance, elementary site
11 allowance, summer school allowance, and focus school and program
12 allowance;

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

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

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 vocational education funds, federal school lunch funds,
7 Indian education funds, Head Start funds, and funds from the Education
8 Innovation Fund. Categorical funds does not include funds received
9 pursuant to section 79-1028.02 or 79-1028.04;

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 Class I, II, III, IV, V, or VI school
29 district and, beginning with the calculation of state aid for school
30 fiscal year 2011-12 and each school fiscal year thereafter, a unified
31 system as defined in section 79-4,108;

1 (13) Ensuing school fiscal year means the school fiscal year
2 following the current school fiscal year;

3 (14) Equalization aid means the amount of assistance calculated to
4 be paid to a local system pursuant to sections 79-1007.11 to 79-1007.23,
5 79-1007.25, 79-1008.01 to 79-1022, 79-1022.02, 79-1028.02, and
6 79-1028.04;

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

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

13 (17) Formula students means:

14 (a) For state aid certified pursuant to section 79-1022, the sum of
15 the product of fall membership from the school fiscal year immediately
16 preceding the school fiscal year in which the aid is to be paid
17 multiplied by the average ratio of average daily membership to fall
18 membership for the second school fiscal year immediately preceding the
19 school fiscal year in which the aid is to be paid and the prior two
20 school fiscal years plus sixty percent of the qualified early childhood
21 education fall membership plus tuitioned students from the school fiscal
22 year immediately preceding the school fiscal year in which aid is to be
23 paid minus the product of the number of students enrolled in kindergarten
24 that is not full-day kindergarten from the fall membership multiplied by
25 0.5; and

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

1 preceding the school fiscal year in which aid was paid;

2 (18) Free lunch and free milk student means a student who qualified
3 for free lunches or free milk from the most recent data available on
4 November 1 of the school fiscal year immediately preceding the school
5 fiscal year in which aid is to be paid;

6 (19) Full-day kindergarten means kindergarten offered by a district
7 for at least one thousand thirty-two instructional hours;

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

15 (21) General fund expenditures means all expenditures from the
16 general fund;

17 (22) General fund operating expenditures means for state aid
18 calculated for school fiscal years 2012-13 and each school fiscal year
19 thereafter, as reported on the annual financial report for the second
20 school fiscal year immediately preceding the school fiscal year in which
21 aid is to be paid, the total general fund expenditures minus (a) the
22 amount of all receipts to the general fund, to the extent that such
23 receipts are not included in local system formula resources, from early
24 childhood education tuition, summer school tuition, educational entities
25 as defined in section 79-1201.01 for providing distance education courses
26 through the Educational Service Unit Coordinating Council to such
27 educational entities, private foundations, individuals, associations,
28 charitable organizations, the textbook loan program authorized by section
29 79-734, federal impact aid, and levy override elections pursuant to
30 section 77-3444, (b) the amount of expenditures for categorical funds,
31 tuition paid, transportation fees paid to other districts, adult

1 education, community services, redemption of the principal portion of
2 general fund debt service, retirement incentive plans authorized by
3 section 79-855, and staff development assistance authorized by section
4 79-856, (c) the amount of any transfers from the general fund to any bond
5 fund and transfers from other funds into the general fund, (d) any legal
6 expenses in excess of fifteen-hundredths of one percent of the formula
7 need for the school fiscal year in which the expenses occurred, (e)
8 expenditures to pay for sums agreed to be paid by a school district to
9 certificated employees in exchange for a voluntary termination occurring
10 prior to July 1, 2009, occurring on or after the last day of the 2010-11
11 school year and prior to the first day of the 2013-14 school year, or, to
12 the extent that a district has demonstrated to the State Board of
13 Education pursuant to section 79-1028.01 that the agreement will result
14 in a net savings in salary and benefit costs to the school district over
15 a five-year period, occurring on or after the first day of the 2013-14
16 school year, (f)(i) expenditures to pay for employer contributions
17 pursuant to subsection (2) of section 79-958 to the School Employees
18 Retirement System of the State of Nebraska to the extent that such
19 expenditures exceed the employer contributions under such subsection that
20 would have been made at a contribution rate of seven and thirty-five
21 hundredths percent or (ii) expenditures to pay for school district
22 contributions pursuant to subdivision (1)(c)(i) of section 79-9,113 to
23 the retirement system established pursuant to the Class V School
24 Employees Retirement Act to the extent that such expenditures exceed the
25 school district contributions under such subdivision that would have been
26 made at a contribution rate of seven and thirty-seven hundredths percent,
27 and (g) any amounts paid by the district for lobbyist fees and expenses
28 reported to the Clerk of the Legislature pursuant to section 49-1483.

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

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

5 (23) High school district means a school district providing
6 instruction in at least grades nine through twelve;

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

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

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

21 (27) Local system means ~~a learning community for purposes of~~
22 ~~calculation of state aid for the second full school fiscal year after~~
23 ~~becoming a learning community and each school fiscal year thereafter, a~~
24 unified system, a Class VI district and the associated Class I districts,
25 or a Class II, III, IV, or V district and any affiliated Class I
26 districts or portions of Class I districts. The membership, expenditures,
27 and resources of Class I districts that are affiliated with multiple high
28 school districts will be attributed to local systems based on the percent
29 of the Class I valuation that is affiliated with each high school
30 district. For all school fiscal years before school fiscal year 2016-17,
31 local system also means a learning community;

1 (28) Low-income child means a child under nineteen years of age
2 living in a household having an annual adjusted gross income for the
3 second calendar year preceding the beginning of the school fiscal year
4 for which aid is being calculated equal to or less than the maximum
5 household income that would allow a student from a family of four people
6 to be a free lunch and free milk student during the school fiscal year
7 immediately preceding the school fiscal year for which aid is being
8 calculated;

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

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

19 (31) Poverty students means the number of low-income students or the
20 number of students who are free lunch and free milk students in a
21 district plus the difference of the number of low-income students or the
22 number of students who are free lunch and free milk students in a
23 district, whichever is greater, minus the average number of poverty
24 students for such district, prior to such addition, for the three
25 immediately preceding school fiscal years if such difference is greater
26 than zero;

27 (32) Qualified early childhood education average daily membership
28 means the product of the average daily membership for school fiscal year
29 2006-07 and each school fiscal year thereafter of students who will be
30 eligible to attend kindergarten the following school year and are
31 enrolled in an early childhood education program approved by the

1 department pursuant to section 79-1103 for such school district for such
2 school year multiplied by the ratio of the actual instructional hours of
3 the program divided by one thousand thirty-two if: (a) The program is
4 receiving a grant pursuant to such section for the third year; (b) the
5 program has already received grants pursuant to such section for three
6 years; or (c) the program has been approved pursuant to subsection (5) of
7 section 79-1103 for such school year and the two preceding school years,
8 including any such students in portions of any of such programs receiving
9 an expansion grant;

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

23 (34) Regular route transportation means the transportation of
24 students on regularly scheduled daily routes to and from the attendance
25 center;

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

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

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

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

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

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

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

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

20 (39) Special grant funds means the budgeted receipts for grants,
21 including, but not limited to, categorical funds, reimbursements for
22 wards of the court, short-term borrowings including, but not limited to,
23 registered warrants and tax anticipation notes, interfund loans,
24 insurance settlements, and reimbursements to county government for
25 previous overpayment. The state board shall approve a listing of grants
26 that qualify as special grant funds;

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

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

30 (42) State support means all funds provided to districts by the
31 State of Nebraska for the general fund support of elementary and

1 secondary education;

2 (43) Statewide average basic funding per formula student means the
3 statewide total basic funding for all districts divided by the statewide
4 total formula students for all districts;

5 (44) Statewide average general fund operating expenditures per
6 formula student means the statewide total general fund operating
7 expenditures for all districts divided by the statewide total formula
8 students for all districts;

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

10 (46) Temporary aid adjustment factor means (a) for school fiscal
11 years before school fiscal year 2007-08, one and one-fourth percent of
12 the sum of the local system's transportation allowance, the local
13 system's special receipts allowance, and the product of the local
14 system's adjusted formula students multiplied by the average formula cost
15 per student in the local system's cost grouping and (b) for school fiscal
16 year 2007-08, one and one-fourth percent of the sum of the local system's
17 transportation allowance, special receipts allowance, and distance
18 education and telecommunications allowance and the product of the local
19 system's adjusted formula students multiplied by the average formula cost
20 per student in the local system's cost grouping;

21 (47) Tuition receipts from converted contracts means tuition
22 receipts received by a district from another district in the most
23 recently available complete data year pursuant to a converted contract
24 prior to the expiration of the contract;

25 (48) Tuitioned students means students in kindergarten through grade
26 twelve of the district whose tuition is paid by the district to some
27 other district or education agency; and

28 (49) Very sparse local system means a local system that has:

29 (a)(i) Less than one-half student per square mile in each county in
30 which each high school attendance center is located based on the school
31 district census, (ii) less than one formula student per square mile in

1 the local system, and (iii) more than fifteen miles between the high
2 school attendance center and the next closest high school attendance
3 center on paved roads; or

4 (b)(i) More than four hundred fifty square miles in the local
5 system, (ii) less than one-half student per square mile in the local
6 system, and (iii) more than fifteen miles between each high school
7 attendance center and the next closest high school attendance center on
8 paved roads.

9 Sec. 56. Section 79-1007.05, Reissue Revised Statutes of Nebraska,
10 is amended to read:

11 79-1007.05 ~~(1)(a) For school fiscal years year 2008-09 through~~
12 ~~2015-16 and each school fiscal year thereafter,~~ the department shall
13 determine the focus school and program allowance for each school district
14 in a learning community which submits the information required for the
15 calculation on a form prescribed by the department on or before October
16 15 of the school fiscal year preceding the school fiscal year for which
17 aid is being calculated. Such form may require confirmation from a
18 learning community official that the focus school or program has been
19 approved by the learning community coordinating council for the school
20 fiscal year for which the allowance is being calculated. The focus school
21 and program allowance for each school district in a learning community
22 shall equal the sum of the allowances calculated pursuant to this section
23 for each focus school and focus program operated by the school district
24 for the school fiscal year for which aid is being calculated.

25 ~~(b) Until school fiscal year 2016-17, for~~ For the school fiscal year
26 containing the majority of the first school year that a school or program
27 will be in operation as a focus school or program approved by the
28 learning community and meeting the requirements of section 79-769, the
29 focus school and program allowance for such focus school or program shall
30 equal the statewide average general fund operating expenditures per
31 formula student multiplied by 0.10 then multiplied by the estimated

1 number of students who will be participating in the focus school or
2 program as reported on the form required pursuant to this section.

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

25 (d) Until school fiscal year 2016-17, for ~~For~~ the school fiscal year
26 containing the majority of the third school year that a school or program
27 will be in operation as a focus school or program approved by the
28 learning community and meeting the requirements of section 79-769 and
29 each school fiscal year thereafter, the focus school and program
30 allowance for such focus school or program shall equal the statewide
31 average general fund operating expenditures per formula student

1 multiplied by 0.10 then multiplied by the number of students
2 participating in the focus school or program as reported on the fall
3 membership report from the school fiscal year immediately preceding the
4 school fiscal year in which the aid is to be paid for state aid certified
5 pursuant to section 79-1022 and as reported on the annual statistical
6 summary report from the school fiscal year immediately preceding the
7 school fiscal year in which the aid was paid for the final calculation of
8 state aid pursuant to section 79-1065.

9 (2)(a) For school fiscal year 2016-17 and each school fiscal year
10 thereafter, the department shall determine the focus school and program
11 allowance for each school district or joint entity formed pursuant to
12 section 79-769 which submits the information required for the calculation
13 on a form prescribed by the department on or before October 15 of the
14 school fiscal year preceding the school fiscal year for which aid is
15 being calculated. The focus school and program allowance for each school
16 district or joint entity shall equal the sum of the allowances calculated
17 pursuant to this section for each focus school and focus program operated
18 by the school district or joint entity for the school fiscal year for
19 which aid is being calculated.

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

28 (c) For the school fiscal year containing the majority of the second
29 school year that a school or program will be in operation as a focus
30 school or program meeting the requirements of section 79-769, the focus
31 school and program allowance for such focus school or program shall equal

1 the statewide average general fund operating expenditures per formula
2 student multiplied by 0.10 then multiplied by (i) for state aid certified
3 pursuant to section 79-1022, the difference of the product of two
4 multiplied by the number of students participating in the focus school or
5 program as reported on the fall membership report from the school fiscal
6 year immediately preceding the school fiscal year in which the aid is to
7 be paid minus the estimated number of students used in the certification
8 of state aid pursuant to section 79-1022 for the school fiscal year
9 immediately preceding the school fiscal year in which the aid is to be
10 paid and (ii) for the final calculation of state aid pursuant to section
11 79-1065, the difference of the product of two multiplied by the number of
12 students participating in the focus school or program as reported on the
13 annual statistical summary report from the school fiscal year immediately
14 preceding the school fiscal year in which the aid was paid minus the
15 estimated number of students used in the final calculation of state aid
16 pursuant to section 79-1065 for the school fiscal year immediately
17 preceding the school fiscal year in which the aid is to be paid.

18 (d) For the school fiscal year containing the majority of the third
19 school year that a school or program will be in operation as a focus
20 school or program meeting the requirements of section 79-769 and for each
21 school fiscal year thereafter, the focus school and program allowance for
22 such focus school or program shall equal the statewide average general
23 fund operating expenditures per formula student multiplied by 0.10 then
24 multiplied by the number of students participating in the focus school or
25 program as reported on the fall membership report from the school fiscal
26 year immediately preceding the school fiscal year in which the aid is to
27 be paid for state aid certified pursuant to section 79-1022 and as
28 reported on the annual statistical summary report from the school fiscal
29 year immediately preceding the school fiscal year in which the aid was
30 paid for the final calculation of state aid pursuant to section 79-1065.

31 Sec. 57. Section 79-1007.11, Reissue Revised Statutes of Nebraska,

1 is amended to read:

2 79-1007.11 (1) Except as otherwise provided in this section, for
3 school fiscal years 2013-14 through 2015-16, each school district's
4 formula need shall equal the difference of the sum of the school
5 district's basic funding, poverty allowance, limited English proficiency
6 allowance, focus school and program allowance, summer school allowance,
7 special receipts allowance, transportation allowance, elementary site
8 allowance, instructional time allowance, teacher education allowance,
9 distance education and telecommunications allowance, averaging
10 adjustment, new learning community transportation adjustment, student
11 growth adjustment, any positive student growth adjustment correction, and
12 new school adjustment, minus the sum of the limited English proficiency
13 allowance correction, poverty allowance correction, and any negative
14 student growth adjustment correction.

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

27 (3) If the formula need calculated for a school district pursuant to
28 subsections (1) and (2) of this section is less than one hundred percent
29 of the formula need for such district for the school fiscal year
30 immediately preceding the school fiscal year for which aid is being
31 calculated, the formula need for such district shall equal one hundred

1 percent of the formula need for such district for the school fiscal year
2 immediately preceding the school fiscal year for which aid is being
3 calculated.

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

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

28 ~~(6)~~ For all school fiscal years before school fiscal year 2016-17,
29 for state aid calculated for the first full school fiscal year of a new
30 learning community, if the formula need calculated for a member school
31 district pursuant to subsections (1) through (3) of this section is less

1 than the sum of the school district's state aid certified for the school
2 fiscal year immediately preceding the first full school fiscal year of
3 the learning community plus the school district's other actual receipts
4 included in local system formula resources pursuant to section 79-1018.01
5 for such school fiscal year plus the product of the school district's
6 general fund levy for such school fiscal year up to one dollar and five
7 cents multiplied by the school district's assessed valuation for such
8 school fiscal year, the formula need for such school district for the
9 school fiscal year for which aid is being calculated shall equal such
10 sum.

11 Sec. 58. Section 79-1007.18, Reissue Revised Statutes of Nebraska,
12 is amended to read:

13 79-1007.18 (1) The department shall calculate an averaging
14 adjustment for districts if the basic funding per formula student is less
15 than the averaging adjustment threshold and the general fund levy for the
16 school fiscal year immediately preceding the school fiscal year for which
17 aid is being calculated was at least one dollar per one hundred dollars
18 of taxable valuation. For all school fiscal years before school fiscal
19 year 2016-17, for school districts that are members of a learning
20 community, the general fund levy for purposes of this section includes
21 both the common general fund levy and the school district general fund
22 levy authorized pursuant to subdivisions (2)(b) and (2)(c) of section
23 77-3442. The averaging adjustment shall equal the district's formula
24 students multiplied by the percentage specified in this section for such
25 district of the difference between the averaging adjustment threshold
26 minus such district's basic funding per formula student.

27 (2)(a) For school fiscal years 2012-13 and 2013-14, the averaging
28 adjustment threshold shall equal the lesser of (i) the averaging
29 adjustment threshold for the school fiscal year immediately preceding the
30 school fiscal year for which aid is being calculated increased by the
31 basic allowable growth rate or (ii) the statewide average basic funding

1 per formula student for the school fiscal year for which aid is being
2 calculated.

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

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

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

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

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

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

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

30 (e) If such levy was at least one dollar and four cents per one
31 hundred dollars of taxable valuation, the percentage shall be ninety

1 percent.

2 Sec. 59. Section 79-1007.22, Reissue Revised Statutes of Nebraska,
3 is amended to read:

4 79-1007.22 (1) For all school fiscal years before school fiscal year
5 2016-17, for state aid calculated for each of the second and third full
6 school fiscal years of a new learning community, each member school
7 district may apply to the department for a new learning community
8 transportation adjustment, on a form prescribed by the department, on or
9 before October 15 of the school fiscal year immediately preceding the
10 school fiscal year for which the new learning community transportation
11 adjustment would be included in the calculation of state aid. Such form
12 shall require evidence supporting estimates of increased transportation
13 costs for the district due to the provisions of ~~subsection (2) of~~ section
14 79-611. On or before the immediately following December 1, the department
15 shall approve the estimate of increased transportation costs for use in
16 the adjustment, approve a modified estimate of increased transportation
17 costs for use in the adjustment, or deny the application based on the
18 requirements of this section, the evidence submitted on the application,
19 and any other information provided by the department. The state board
20 shall establish procedures for appeal of decisions of the department to
21 the state board for final determination.

22 (2) For all school fiscal years before school fiscal year 2016-17,
23 the The new learning community transportation adjustment shall equal the
24 approved estimate of increased transportation costs due to the provisions
25 of ~~subsection (2) of~~ section 79-611. School districts shall submit
26 evidence of the actual increase in transportation costs due to the
27 provisions of ~~subsection (2) of~~ section 79-611, and the department shall
28 recalculate the adjustment using such actual costs pursuant to section
29 79-1065.

30 Sec. 60. Section 79-1008.02, Reissue Revised Statutes of Nebraska,
31 is amended to read:

1 79-1008.02 (1) For all school fiscal years before school fiscal
2 year 2016-17, a A minimum levy adjustment shall be calculated and applied
3 to any local system that has a general fund common levy for the fiscal
4 year during which aid is certified that is less than the maximum levy,
5 for such fiscal year for such local system, allowed pursuant to
6 subdivision (2)(a) or (b) of section 77-3442 without a vote pursuant to
7 section 77-3444 less five cents for learning communities and less ten
8 cents for all other local systems.

9 (2) For school fiscal year 2016-17 and each school fiscal year
10 thereafter, a minimum levy adjustment shall be calculated and applied to
11 any local system that has a general fund common levy for the fiscal year
12 during which aid is certified that is less than the maximum levy, for
13 such fiscal year for such local system, allowed pursuant to subdivision
14 (2)(a) of section 77-3442 without a vote pursuant to section 77-3444 less
15 ten cents. To calculate the minimum levy adjustment, the department shall
16 subtract the local system general fund common levy for such fiscal year
17 for such local system from the maximum levy allowed pursuant to
18 subdivision (2)(a) or (b) of section 77-3442 without a vote pursuant to
19 section 77-3444 the number of cents specified in subdivision (1) of this
20 section less five cents for learning communities and less ten cents for
21 all other local systems and multiply the result by the local system's
22 adjusted valuation divided by one hundred. The minimum levy adjustment
23 shall be added to the formula resources of the local system for the
24 determination of equalization aid pursuant to section 79-1008.01. If the
25 minimum levy adjustment is greater than or equal to the allocated income
26 tax funds calculated pursuant to section 79-1005.01, the local system
27 shall not receive allocated income tax funds. If the minimum levy
28 adjustment is less than the allocated income tax funds calculated
29 pursuant to section 79-1005.01, the local system shall receive allocated
30 income tax funds in the amount of the difference between the allocated
31 income tax funds calculated pursuant to section 79-1005.01 and the

1 minimum levy adjustment.

2 (3) This section does not apply to the calculation of aid for a
3 local system containing a learning community for the first school fiscal
4 year for which aid is calculated for such local system.

5 Sec. 61. Section 79-1013, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 79-1013 (1) On or before October 15 of each year, each school
8 district designating a maximum poverty allowance greater than zero
9 dollars shall submit a poverty plan for the next school fiscal year to
10 the department ~~and to the learning community coordinating council of any~~
11 ~~learning community of which the school district is a member.~~ On or before
12 the immediately following December 1, ~~(a) the department shall approve or~~
13 ~~disapprove such plan for school districts that are not members of a~~
14 ~~learning community based on the inclusion of the elements required~~
15 ~~pursuant to this section and (b) the learning community coordinating~~
16 ~~council and, as to the applicable portions thereof, each achievement~~
17 ~~subcouncil, shall approve or disapprove such plan for school districts~~
18 ~~that are members of such learning community based on the inclusion of~~
19 ~~such elements. On or before the immediately following December 5, each~~
20 ~~learning community coordinating council shall certify to the department~~
21 ~~the approval or disapproval of the poverty plan for each member school~~
22 ~~district.~~

23 (2) In order to be approved pursuant to this section, a poverty plan
24 shall include an explanation of how the school district will address the
25 following issues for such school fiscal year:

26 (a) Attendance, including absence followup and transportation for
27 students qualifying for free or reduced-price lunches who reside more
28 than one mile from the attendance center;

29 (b) Student mobility, including transportation to allow a student to
30 continue attendance at the same school if the student moves to another
31 attendance area within the same school district ~~or within the same~~

1 ~~learning community;~~

2 (c) Parental involvement at the school-building level with a focus
3 on the involvement of parents in poverty and from other diverse
4 backgrounds;

5 (d) Parental involvement at the school-district level with a focus
6 on the involvement of parents in poverty and from other diverse
7 backgrounds;

8 (e) Class size reduction or maintenance of small class sizes in
9 elementary grades;

10 (f) Scheduled teaching time on a weekly basis that will be free from
11 interruptions;

12 (g) Access to early childhood education programs for children in
13 poverty;

14 (h) Student access to social workers;

15 (i) Access to summer school, extended-school-day programs, or
16 extended-school-year programs;

17 (j) Mentoring for new and newly reassigned teachers;

18 (k) Professional development for teachers and administrators,
19 focused on addressing the educational needs of students in poverty and
20 students from other diverse backgrounds; and

21 ~~(l) Coordination with elementary learning centers if the school
22 district is a member of a learning community; and~~

23 (l ~~¶~~) An evaluation to determine the effectiveness of the elements
24 of the poverty plan.

25 (3) The state board shall establish a procedure for appeal of
26 decisions of the department ~~and of learning community coordinating~~
27 ~~councils~~ to the state board for a final determination.

28 Sec. 62. Section 79-1014, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-1014 (1) On or before October 15 of each year, each school
31 district designating a maximum limited English proficiency allowance

1 greater than zero dollars shall submit a limited English proficiency plan
2 for the next school fiscal year to the department ~~and to the learning~~
3 ~~community coordinating council of any learning community of which the~~
4 ~~school district is a member.~~ On or before the immediately following
5 December 1, (a) the department shall approve or disapprove such plans ~~for~~
6 ~~school districts that are not members of a learning community,~~ based on
7 the inclusion of the elements required pursuant to this section ~~and (b)~~
8 ~~the learning community coordinating council, and, as to the applicable~~
9 ~~portions thereof, each achievement subcouncil, shall approve or~~
10 ~~disapprove such plan for school districts that are members of such~~
11 ~~learning community, based on the inclusion of such elements. On or before~~
12 ~~the immediately following December 5, each learning community~~
13 ~~coordinating council shall certify to the department the approval or~~
14 ~~disapproval of the limited English proficiency plan for each member~~
15 ~~school district.~~

16 (2) In order to be approved pursuant to this section, a limited
17 English proficiency plan must include an explanation of how the school
18 district will address the following issues for such school fiscal year:

- 19 (a) Identification of students with limited English proficiency;
- 20 (b) Instructional approaches;
- 21 (c) Assessment of such students' progress toward mastering the
- 22 English language; and
- 23 (d) An evaluation to determine the effectiveness of the elements of
- 24 the limited English proficiency plan.

25 (3) The state board shall establish a procedure for appeal of
26 decisions of the department ~~and of learning community coordinating~~
27 ~~councils~~ to the state board for a final determination.

28 Sec. 63. Section 79-1022, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-1022 (1) On or before April 10, 2014, and on or before March 1 of
31 each year thereafter for each ensuing fiscal year, the department shall

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

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

1 the ensuing school fiscal year.

2 Sec. 64. Section 79-1024, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-1024 (1) The department may require each district to submit to
5 the department a duplicate copy of such portions of the district's budget
6 statement as the Commissioner of Education directs. The department may
7 verify any data used to meet the requirements of the Tax Equity and
8 Educational Opportunities Support Act. The Auditor of Public Accounts
9 shall review each district's budget statement for statutory compliance,
10 make necessary changes in the budget documents for districts to
11 effectuate the budget limitations imposed pursuant to sections 79-1023 to
12 79-1030, and notify the Commissioner of Education of any district failing
13 to submit to the auditor the budget documents required pursuant to this
14 subsection by the date established in subsection (1) of section 13-508 or
15 failing to make any corrections of errors in the documents pursuant to
16 section 13-504 or 13-511.

17 (2) If a school district fails to submit to the department or the
18 auditor the budget documents required pursuant to subsection (1) of this
19 section by the date established in subsection (1) of section 13-508 or
20 fails to make any corrections of errors in the documents pursuant to
21 section 13-504 or 13-511, the commissioner, upon notification from the
22 auditor or upon his or her own knowledge that the required budget
23 documents and any required corrections of errors from any school district
24 have not been properly filed in accordance with the Nebraska Budget Act
25 and after notice to the district and an opportunity to be heard, shall
26 direct that any state aid granted pursuant to the Tax Equity and
27 Educational Opportunities Support Act be withheld until such time as the
28 required budget documents or corrections of errors are received by the
29 auditor and the department. In addition, the commissioner shall direct
30 the county treasurer to withhold all school money belonging to the school
31 district until such time as the commissioner notifies the county

1 treasurer of receipt of the required budget documents or corrections of
2 errors. The county treasurer shall withhold such money. For all school
3 fiscal years before school fiscal year 2016-17 for school districts that
4 are members of learning communities, a determination of school money
5 belonging to the district shall be based on the proportionate share of
6 property tax receipts allocated to the school district by the learning
7 community coordinating council, and the county treasurer shall withhold
8 any such school money in the possession of the county treasurer from the
9 school district. If the school district does not comply with this section
10 prior to the end of the state's biennium following the biennium which
11 included the fiscal year for which state aid was calculated, the state
12 aid funds shall revert to the General Fund. The amount of any reverted
13 funds shall be included in data provided to the Governor in accordance
14 with section 79-1031. The board of any district failing to submit to the
15 department or the auditor the budget documents required pursuant to this
16 section by the date established in subsection (1) of section 13-508 or
17 failing to make any corrections of errors in the documents pursuant to
18 section 13-504 or 13-511 shall be liable to the school district for all
19 school money which such district may lose by such failing.

20 Sec. 65. Section 79-1033, Reissue Revised Statutes of Nebraska, is
21 amended to read:

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

1 are received by the department. In addition, the commissioner shall
2 direct the county treasurer to withhold all school money belonging to the
3 school district until such time as the commissioner notifies the county
4 treasurer of receipt of such reports. The county treasurer shall withhold
5 such money. For all school fiscal years before school fiscal year
6 2016-17, for school districts that are members of learning communities, a
7 determination of school money belonging to the district shall be based on
8 the proportionate share of state aid and property tax receipts allocated
9 to the school district by the learning community coordinating council,
10 and the county treasurer shall withhold any such school money in the
11 possession of the county treasurer from the school district. If the
12 school district does not comply with this section prior to the end of the
13 state's biennium following the biennium which included the school fiscal
14 year for which state aid was calculated, the state aid funds shall revert
15 to the General Fund. The amount of any reverted funds shall be included
16 in data provided to the Governor in accordance with section 79-1031.

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

1 payment made pursuant to section 79-1022, draw a warrant for the lump-sum
2 amount from appropriated funds and forward such warrant to the district.
3 For purposes of this subsection, financial hardship means a situation in
4 which income to a district is exceeded by liabilities to such a degree
5 that if early payment is not received it will be necessary for the
6 district to discontinue vital services or functions.

7 Sec. 66. Section 79-1036, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 79-1036 (1) In making the apportionment under section 79-1035, the
10 Commissioner of Education shall distribute from the school fund for
11 school purposes, to any and all learning communities and school districts
12 which are not members of a learning community, in which there are
13 situated school lands which have not been sold and transferred by deed or
14 saline lands owned by the state, which lands are being used for a public
15 purpose, an amount in lieu of tax money that would be raised by school
16 district levies and for school fiscal years before school fiscal year
17 2016-17, learning community common levies for which the proceeds are
18 distributed to member school districts pursuant to sections 79-1073 and
19 79-1073.01 if such lands were taxable, to be ascertained in accordance
20 with subsection (2) of this section, except that:

21 (a) For Class I districts or portions thereof which are affiliated
22 and in which there are situated school or saline lands, 38.6207 percent
23 of the in lieu of land tax money calculated pursuant to subsection (2) of
24 this section, based on the affiliated school system tax levy computed
25 pursuant to section 79-1077, shall be distributed to the affiliated high
26 school district and the remainder shall be distributed to the Class I
27 district;

28 (b) For Class I districts or portions thereof which are part of a
29 Class VI district which offers instruction in grades nine through twelve
30 and in which there are situated school or saline lands, 38.6207 percent
31 of the in lieu of land tax money calculated pursuant to subsection (2) of

1 this section, based on the Class VI school system levy computed pursuant
2 to section 79-1078, shall be distributed to the Class VI district and the
3 remainder shall be distributed to the Class I district;

4 (c) For Class I districts or portions thereof which are part of a
5 Class VI district which offers instruction in grades seven through twelve
6 and in which there are situated school or saline lands, 55.1724 percent
7 of the in lieu of land tax money calculated pursuant to subsection (2) of
8 this section, based on the Class VI school system levy computed pursuant
9 to section 79-1078, shall be distributed to the Class VI district and the
10 remainder shall be distributed to the Class I district; and

11 (d) For Class I districts or portions thereof which are part of a
12 Class VI district which offers instruction in grades six through twelve
13 and in which there are situated school or saline lands, 62.0690 percent
14 of the in lieu of land tax money calculated pursuant to subsection (2) of
15 this section, based on the Class VI school system levy computed pursuant
16 to section 79-1078, shall be distributed to the Class VI district and the
17 remainder shall be distributed to the Class I district.

18 (2) The county assessor shall certify to the Commissioner of
19 Education the tax levies of each school district and until July 1, 2016,
20 each learning community in which school land or saline land is located
21 and the last appraised value of such school land, which value shall be
22 the same percentage of the appraised value as the percentage of the
23 assessed value is of market value in subsection (2) of section 77-201 for
24 the purpose of applying the applicable tax levies for each district and
25 until July 1, 2016, each learning community in determining the
26 distribution to the districts of such amounts. The school board of any
27 school district and until July 1, 2016, the learning community
28 coordinating council of any learning community in which there is located
29 any leased or undeeded school land or saline land subject to this section
30 may appeal to the Board of Educational Lands and Funds for a
31 reappraisal of such school land if such school board or until July 1,

1 2016, learning community coordinating council deems the land not
2 appraised in proportion to the value of adjoining land of the same or
3 similar value. The Board of Educational Lands and Funds shall proceed to
4 investigate the facts involved in such appeal and, if the contention of
5 the school board or until July 1, 2016, the learning community
6 coordinating council is correct, make the proper reappraisalment. The
7 value calculation in this subsection shall be used by the Commissioner of
8 Education for making distributions in each school fiscal year.

9 Sec. 67. Section 79-1041, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-1041 For all school years before school year 2016-17, each Each
12 county treasurer of a county with territory in a learning community shall
13 distribute any funds collected by such county treasurer from the common
14 general fund levy and the common building fund levy of such learning
15 community to each member school district pursuant to sections 79-1073 and
16 79-1073.01 at least once each month.

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

21 Sec. 68. Section 79-1073, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1073 On or before September 1 for each school year before school
24 year 2016-17, each learning community coordinating council shall
25 determine the expected amounts to be distributed by the county treasurers
26 to each member school district from general fund property tax receipts
27 pursuant to subdivision (2)(b) of section 77-3442 and shall certify such
28 amounts to each member school district, the county treasurer for each
29 county containing territory in the learning community, and the State
30 Department of Education. Such property tax receipts shall be divided
31 among member school districts proportionally based on the difference of

1 the school district's formula need calculated pursuant to section
2 79-1007.11 minus the sum of the state aid certified pursuant to section
3 79-1022 and the other actual receipts included in local system formula
4 resources pursuant to section 79-1018.01 for the school fiscal year for
5 which the distribution is being made.

6 Each time the county treasurer distributes property tax receipts
7 from the common general fund levy to member school districts, the amount
8 to be distributed to each district shall be proportional based on the
9 total amounts to be distributed to each member school district for the
10 school fiscal year. Each time the county treasurer certifies a property
11 tax refund pursuant to section 77-1736.06 based on the common general
12 fund levy for member school districts or any entity issues an in lieu of
13 property tax reimbursement based on the common general fund levy for
14 member school districts, including amounts paid pursuant to sections
15 70-651.01 and 79-1036, the amount to be certified or reimbursed to each
16 district shall be proportional on the same basis as property tax receipts
17 from such levy are distributed to member school districts.

18 Sec. 69. Section 79-1073.01, Reissue Revised Statutes of Nebraska,
19 is amended to read:

20 79-1073.01 For all school years before school year 2016-17, amounts
21 ~~Amounts~~ levied by learning communities for special building funds for
22 member school districts pursuant to subdivision (2)(g) of section 77-3442
23 shall be distributed by the county treasurer collecting such levy
24 proceeds to all member school districts proportionally based on the
25 formula students used in the most recent certification of state aid
26 pursuant to section 79-1022. Each time the county treasurer certifies a
27 property tax refund pursuant to section 77-1736.06 based on the levy of a
28 learning community for special building funds for member school districts
29 or any entity issues an in lieu of property tax reimbursement based on
30 the levy of a learning community for special building funds for member
31 school districts, including amounts paid pursuant to sections 70-651.01

1 and 79-1036, the amount to be certified or reimbursed to each district
2 shall be proportional on the same basis as property tax receipts from
3 such levy are distributed to member school districts.

4 Any amounts distributed pursuant to this section shall be used by
5 the member school districts for special building funds.

6 Sec. 70. Section 79-1074, Reissue Revised Statutes of Nebraska, is
7 amended to read:

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

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

22 Sec. 71. Section 79-1075, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-1075 (1) The county board of the county in which is located the
25 schoolhouse or the administrative office of any joint school district ~~or~~
26 ~~learning community~~ shall make a levy for the school district ~~or learning~~
27 ~~community, as may be necessary,~~ and the county clerk of that headquarters
28 county shall certify the levy, on or before the date prescribed in
29 section 77-1601, to the county clerk of each county in which is situated
30 any portion of the joint school district ~~or learning community~~. This
31 section shall apply to all taxes levied on behalf of school districts,

1 including, but not limited to, taxes authorized by sections 10-304,
2 10-711, 10-716.01, 77-1601, 79-747, 79-1077, 79-1084, 79-1085, 79-1086,
3 79-10,100, 79-10,110, 79-10,118, 79-10,120, 79-10,122, and 79-10,126.

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

14 Sec. 72. Section 79-1083, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 79-1083 At the time the budget statement is certified to the levying
17 board, each school board shall deliver to the county clerk of the
18 headquarters county a copy of its adopted budget statement. ~~If the school
19 district is a member of a learning community, the school board shall also
20 deliver to the learning community coordinating council a copy of the
21 adopted budget statement.~~

22 Sec. 73. Section 79-1084, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 79-1084 The school board of a Class III school district shall
25 annually, on or before September 20, report in writing to the county
26 board ~~and the learning community coordinating council if the school
27 district is a member of a learning community~~ the entire revenue raised by
28 taxation and all other sources and received by the school board for the
29 previous school fiscal year and a budget for the ensuing school fiscal
30 year broken down generally as follows: (1) The amount of funds required
31 for the support of the schools during the ensuing school fiscal year; (2)

1 the amount of funds required for the purchase of school sites; (3) the
2 amount of funds required for the erection of school buildings; (4) the
3 amount of funds required for the payment of interest upon all bonds
4 issued for school purposes; and (5) the amount of funds required for the
5 creation of a sinking fund for the payment of such indebtedness. The
6 secretary shall publish, within ten days after the filing of such budget,
7 a copy of the fund summary pages of the budget one time at the legal rate
8 prescribed for the publication of legal notices in a legal newspaper
9 published in and of general circulation in such city or village or, if
10 none is published in such city or village, in a legal newspaper of
11 general circulation in the city or village. The secretary of the school
12 board failing or neglecting to comply with this section shall be deemed
13 guilty of a Class V misdemeanor and, in the discretion of the court, the
14 judgment of conviction may provide for the removal from office of such
15 secretary for such failure or neglect. ~~The For Class III school districts~~
16 ~~that are not members of a learning community,~~ the county board shall levy
17 and collect such taxes as are necessary to provide the amount of revenue
18 from property taxes as indicated by all the data contained in the budget
19 and the certificate prescribed by this section, at the time and in the
20 manner provided in section 77-1601.

21 Sec. 74. Section 79-1086, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 79-1086 (1) Except as provided in subsection (2) of this section,
24 the The board of education of a Class V school district ~~that is not a~~
25 ~~member of a learning community~~ shall annually during the month of July
26 estimate the amount of resources likely to be received for school
27 purposes, including the amounts available from fines, licenses, and other
28 sources. Before the county board of equalization makes its levy each
29 year, the board of education shall report to the county clerk the rate of
30 tax deemed necessary to be levied upon the taxable value of all the
31 taxable property of the district subject to taxation during the fiscal

1 year next ensuing for (a) the support of the schools, (b) the purchase of
2 school sites, (c) the erection, alteration, equipping, and furnishing of
3 school buildings and additions to school buildings, (d) the payment of
4 interest upon all bonds issued for school purposes, and (e) the creation
5 of a sinking fund for the payment of such indebtedness. The county board
6 of equalization shall levy the rate of tax so reported and demanded by
7 the board of education and collect the tax in the same manner as other
8 taxes are levied and collected.

9 (2) For all school fiscal years before school fiscal year 2016-17,
10 the The school board of a Class V school district that is a member of a
11 learning community shall annually, on or before September 20, report in
12 writing to the county board and the learning community coordinating
13 council the entire revenue raised by taxation and all other sources and
14 received by the school board for the previous school fiscal year and a
15 budget for the ensuing school fiscal year broken down generally as
16 follows: (a) The amount of funds required for the support of the schools
17 during the ensuing school fiscal year; (b) the amount of funds required
18 for the purchase of school sites; (c) the amount of funds required for
19 the erection of school buildings; (d) the amount of funds required for
20 the payment of interest upon all bonds issued for school purposes; and
21 (e) the amount of funds required for the creation of a sinking fund for
22 the payment of such indebtedness. The secretary shall publish, within ten
23 days after the filing of such budget, a copy of the fund summary pages of
24 the budget one time at the legal rate prescribed for the publication of
25 legal notices in a legal newspaper published in and of general
26 circulation in such city or village or, if none is published in such city
27 or village, in a legal newspaper of general circulation in the city or
28 village. The secretary of the school board failing or neglecting to
29 comply with this section shall be deemed guilty of a Class V misdemeanor
30 and, in the discretion of the court, the judgment of conviction may
31 provide for the removal from office of such secretary for such failure or

1 neglect.

2 Sec. 75. Section 79-10,120, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 79-10,120 The school board or board of education of a Class II, III,
5 IV, V, or VI school district may establish a special fund for purposes of
6 acquiring sites for school buildings or teacherages, purchasing existing
7 buildings for use as school buildings or teacherages, including the sites
8 upon which such buildings are located, and the erection, alteration,
9 equipping, and furnishing of school buildings or teacherages and
10 additions to school buildings for elementary and high school grades and
11 for no other purpose. ~~The For school districts that are not members of~~
12 ~~learning communities,~~ the fund shall be established from the proceeds of
13 an annual levy, to be determined by the board, of not to exceed fourteen
14 cents on each one hundred dollars upon the taxable value of all taxable
15 property in the district which shall be in addition to any other taxes
16 authorized to be levied for school purposes. Such tax shall be levied and
17 collected as are other taxes for school purposes. ~~For school districts~~
18 ~~that are members of a learning community,~~ such fund shall be established
19 ~~from the proceeds of the learning community special building funds levy~~
20 ~~directed to the school district for such purpose pursuant to subdivision~~
21 ~~(2)(g) of section 77-3442 and the proceeds of any school district special~~
22 ~~building fund levy pursuant to subdivision (2)(c) of section 77-3442.~~

23 Sec. 76. Section 79-10,126, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 79-10,126 A Class V school district ~~that is not a member of a~~
26 ~~learning community~~ shall establish (1) for the general operation of the
27 schools, such fund as will result from an annual levy of such rate of tax
28 upon the taxable value of all the taxable property in such school
29 district as the board of education determines to be necessary for such
30 purpose, (2) a fund resulting from an annual amount of tax to be
31 determined by the board of education of not to exceed fourteen cents on

1 each one hundred dollars upon the taxable value of all the taxable
2 property in the district for the purpose of acquiring sites of school
3 buildings and the erection, alteration, equipping, and furnishing of
4 school buildings and additions to school buildings, which tax levy shall
5 be used for no other purposes, and (3) a further fund resulting from an
6 annual amount of tax to be determined by the board of education to pay
7 interest on and retiring, funding, or servicing of bonded indebtedness of
8 the district.

9 Sec. 77. Section 79-1210, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-1210 The State Board of Education shall grant or deny any
12 petition to change educational service unit boundaries based upon the
13 following criteria:

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

16 (2) The economic viability of the proposal as it relates to affected
17 established educational service units or affected proposed educational
18 service units;

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

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

24 (5) Compliance with the requirements of the Educational Service
25 Units Act; and

26 (6) In the dissolution of one or more entire educational service
27 units, evidence of consent from each educational service unit board and
28 two-thirds of the school boards or boards of education of member school
29 districts representing a majority of students in each affected
30 educational service unit.

31 ~~For petitions that change educational service unit boundaries by~~

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

7 Sec. 78. Section 79-1241.03, Reissue Revised Statutes of Nebraska,
8 is amended to read:

9 79-1241.03 (1) Two percent of the funds appropriated for core
10 services and technology infrastructure shall be transferred to the
11 Educational Service Unit Coordinating Council. The remainder of such
12 funds shall be distributed pursuant to subsections (2) through (6) of
13 this section.

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

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

30 (c) The satellite office allocation for each educational service
31 unit shall equal one percent of the funds appropriated for distribution

1 pursuant to this section for each office of the educational service unit,
2 except the educational service unit headquarters, up to the maximum
3 number of satellite offices. The maximum number of satellite offices used
4 for the calculation of the satellite office allocation for any
5 educational service unit shall equal the difference of the ratio of the
6 number of square miles within the boundaries of the educational service
7 unit divided by four thousand minus one with the result rounded to the
8 closest whole number.

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

15 (e) The adjusted valuation for each educational service unit shall
16 equal the total adjusted valuation of the member school districts
17 pursuant to section 79-1016 used for the calculation of state aid for
18 school districts pursuant to the act for the school fiscal year for which
19 the distribution is being calculated pursuant to this section, except
20 that such adjusted valuation for member school districts that are also
21 member districts of a learning community shall be reduced by fifty
22 percent for school fiscal years 2008-09 and 2009-10, thirty percent for
23 school fiscal year 2010-11, and ten percent for school fiscal years
24 2011-12 through 2015-16 ~~each school fiscal year thereafter~~. The adjusted
25 valuation for each learning community shall equal fifty percent, for
26 school fiscal years 2008-09 and 2009-10, thirty percent, for school
27 fiscal year 2010-11, and ten percent, for school fiscal years 2011-12
28 through 2015-16 ~~each school fiscal year thereafter~~, of the total adjusted
29 valuation of the member school districts pursuant to section 79-1016 used
30 for the calculation of state aid for school districts pursuant to the act
31 for the school fiscal year for which the distribution is being calculated

1 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 (5) of this section.

11 (h) The sparsity adjustment for each educational service unit and
12 until July 1, 2016, each learning community shall equal the sum of one
13 plus one-tenth of the ratio of the square miles within the boundaries of
14 the educational service unit divided by the fall membership of the member
15 school districts for the school fiscal year immediately preceding the
16 school fiscal year for which the distribution is being calculated
17 pursuant to this section.

18 (i) The adjusted students for each multidistrict educational service
19 unit shall equal the fall membership for the school fiscal year
20 immediately preceding the school fiscal year for which aid is being
21 calculated of the member school districts, except that until July 1,
22 2016, the adjusted students of the member school districts that will be
23 members of a learning community shall equal ~~that will not be members of a~~
24 ~~learning community~~ and ninety percent of the fall membership for such
25 school fiscal year ~~of the member school districts that will be members of~~
26 ~~a learning community pursuant to this section~~ multiplied by the sparsity
27 adjustment for the educational service unit. The adjusted students for
28 each single-district educational service unit shall equal ninety-five
29 percent of the fall membership for the school fiscal year immediately
30 preceding the school fiscal year for which aid is being calculated,
31 except that until July 1, 2016, if the member school district will be a

1 ~~member of a learning community the adjusted students shall equal if the~~
2 ~~member school district will not be a member of a learning community and~~
3 eighty-five percent of the fall membership for such school fiscal year if
4 ~~the member school district will be a member of a learning community~~
5 ~~pursuant to this section,~~ multiplied by the sparsity adjustment for the
6 educational service unit. Until July 1, 2016, the ~~The~~ adjusted students
7 for each learning community shall equal ten percent of the fall
8 membership for such school fiscal year of the member school districts
9 multiplied by the sparsity adjustment for the learning community.

10 (j) The per student allocation shall equal the statewide student
11 allocation divided by the total adjusted students for all educational
12 service units and until July 1, 2016, all learning communities.

13 (k) The student allocation for each educational service unit and
14 until July 1, 2016, each learning community shall equal the per student
15 allocation multiplied by the adjusted students for the educational
16 service unit or learning community.

17 (l) The needs for each educational service unit shall equal the sum
18 of the distance education and telecommunications allowance, base
19 allocation, satellite office allocation, and student allocation for the
20 educational service unit and until July 1, 2016, the needs for each
21 learning community shall equal the student allocation for the learning
22 community.

23 (m) The distribution of core services and technology infrastructure
24 funds for each educational service unit and until July 1, 2016, each
25 learning community shall equal the needs for each such educational
26 service unit or learning community minus the product of the adjusted
27 valuation for such ~~the~~ educational service unit or learning community
28 multiplied by the local effort rate.

29 (3) If an educational service unit is the result of a merger or
30 received new member school districts from another educational service
31 unit, the educational service unit shall be considered a new educational

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

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

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

26 (6) The State Department of Education shall certify the distribution
27 of core services and technology infrastructure funds pursuant to
28 subsections (2) through (6) of this section to each educational service
29 unit and until July 1, 2016, each learning community on or before July 1
30 of each year for the following school fiscal year. Except as otherwise
31 provided in this subsection, any funds appropriated for distribution

1 pursuant to this section shall be distributed in ten as nearly as
2 possible equal payments on the first business day of each month beginning
3 in September of each school fiscal year and ending in June. ~~Funds to be~~
4 ~~distributed to a learning community in school fiscal year 2010-11 shall~~
5 ~~be distributed in ten payments on the first business day of each month~~
6 ~~beginning in September 2010 and ending in June 2011, with each of the~~
7 ~~first five payments equal as nearly as possible to seventeen percent of~~
8 ~~the amount to be distributed and with each of the last five payments~~
9 ~~equal as nearly as possible to three percent of the amount to be~~
10 ~~distributed.~~ Funds distributed to educational service units pursuant to
11 this section shall be used for core services and technology
12 infrastructure with the approval of representatives of two-thirds of the
13 member school districts of the educational service unit, representing a
14 majority of the adjusted students in the member school districts used in
15 calculations pursuant to this section for such funds. The valuation of
16 individual school districts shall not be considered in the utilization of
17 such core services or technology infrastructure funds by member school
18 districts for funds received after July 1, 2010. Funds distributed to
19 learning communities on or before January 15, 2011, shall be used for
20 learning community purposes with the approval of the learning community
21 coordinating council. Funds distributed to learning communities after
22 January 15, 2011, and before July 1, 2016, shall be used for evaluation
23 and research pursuant to section 79-2104.02 with the approval of the
24 learning community coordinating council.

25 (7) 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 (8) 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. 79. Section 79-2107, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 ~~79-2107~~ The boundaries of all school districts for which the
14 principal office of the school district is located in a county in which a
15 city of the metropolitan class is located and all school districts for
16 which the principal office of the school district is located in a county
17 that has a contiguous border of at least five miles in the aggregate with
18 such city of the metropolitan class shall remain as depicted on the map
19 kept by the county clerk pursuant to section 79-490 as of March 1, 2006,
20 for cities of the metropolitan class designated as such prior to January
21 2008 or as of March 1 immediately preceding the designation as a city of
22 the metropolitan class for cities designated as such on or after January
23 1, 2008, ~~until a learning community has been established for such city of~~
24 ~~the metropolitan class, except that such districts may transfer property~~
25 ~~to other such districts with the agreement of the school board of each~~
26 ~~affected district prior to the effective date for such learning~~
27 ~~community.~~

28 Sec. 80. Section 79-2404, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 79-2404 If the school board of any school district or the board of
31 any educational service unit fails to timely file a copy of an approved

1 contract, or contract amendment, for superintendent services or
2 educational service unit administrator services with the State Department
3 of Education as required in section 79-2403, the Commissioner of
4 Education, after notice to the board president and either the
5 superintendent or educational service unit administrator and an
6 opportunity to be heard, shall direct that any state aid granted pursuant
7 to the Tax Equity and Educational Opportunities Support Act to the school
8 district or core services and technology infrastructure funds granted
9 pursuant to section 79-1241.03 to the educational service unit be
10 withheld until such time as the contract or amendment is received by the
11 department. In addition, the commissioner shall direct each county
12 treasurer of a county with territory in the school district or
13 educational service unit to withhold all money belonging to the school
14 district or educational service unit until such time as the commissioner
15 notifies such county treasurer of receipt of such contract or amendment.
16 Each such county treasurer shall withhold such money. ~~For school~~
17 ~~districts that are members of learning communities, a determination of~~
18 ~~school money belonging to the school district shall be based on the~~
19 ~~proportionate share of property tax receipts allocated to the school~~
20 ~~district pursuant to section 79-1073 in addition to the other property~~
21 ~~tax receipts belonging to the school district.~~ If the board does not
22 comply with this section prior to October 1 following the school fiscal
23 year for which the state aid or core services and technology
24 infrastructure funding was calculated, the funds shall revert to the
25 General Fund. The amount of any reverted funds shall be included in data
26 provided to the Governor, the Appropriations Committee of the
27 Legislature, and the Education Committee of the Legislature in accordance
28 with section 79-1031.

29 Sec. 81. Section 81-1203, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 81-1203 (1) A business applying for a job training grant, other than

1 a grant provided under subsection (3) of section 81-1201.21, shall submit
2 a business plan to the Department of Economic Development which includes,
3 but is not limited to:

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

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

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

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

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

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

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

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

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

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

23 (3) A business applying for a training grant under subsection (3) of
24 section 81-1201.21 may partner with a postsecondary educational
25 institution; a private, nonprofit organization holding a certificate of
26 exemption under section 501(c)(3) of the Internal Revenue Code; or a
27 ~~learning community coordinating council~~ or school district that has
28 partnered with a private, nonprofit organization. The application shall
29 specify the role of the partnering entity in identifying and training
30 potential job applicants for the applicant business.

31 (4) A business applying for a training grant under subsection (3) of

1 section 81-1201.21 may apply as a business that has established a program
2 under which residents of rural areas or high-poverty areas are trained
3 for employment or potential employment by documenting:

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

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

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

10 (d) That the wage level of the positions available or to be created
11 will meet the local prevailing average;

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

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

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

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

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

25 (j) That the goods or services produced by the business are
26 generally exportable in nature resulting in additional money to the
27 community or the state and the positions available or to be created are
28 not local retail positions.

29 (5) Each business participating in a training grant under subsection
30 (3) of section 81-1201.21 shall be subject to an audit by the Department
31 of Economic Development and shall annually report or provide to the

1 department the following information:

2 (a) The percentage of trainees who have successfully completed the
3 training;

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

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

7 (d) A copy of the training curriculum.

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

9 (a) High-poverty area means an area consisting of one or more
10 contiguous census tracts, as determined by the most recent federal
11 decennial census, which contain a percentage of persons with incomes
12 below the poverty line of greater than thirty percent, and all census
13 tracts contiguous to such tract or tracts, as determined by the most
14 recent federal decennial census; and

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

18 Sec. 82. Section 84-1413, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 84-1413 (1) Each public body shall keep minutes of all meetings
21 showing the time, place, members present and absent, and the substance of
22 all matters discussed.

23 (2) Any action taken on any question or motion duly moved and
24 seconded shall be by roll call vote of the public body in open session,
25 and the record shall state how each member voted or if the member was
26 absent or not voting. The requirements of a roll call or viva voce vote
27 shall be satisfied by a municipality, a county, ~~a learning community~~, a
28 joint entity created pursuant to the Interlocal Cooperation Act, a joint
29 public agency created pursuant to the Joint Public Agency Act, or an
30 agency formed under the Municipal Cooperative Financing Act which
31 utilizes an electronic voting device which allows the yeas and nays of

1 each member of such city council, village board, county board, or
2 governing body to be readily seen by the public.

3 (3) The vote to elect leadership within a public body may be taken
4 by secret ballot, but the total number of votes for each candidate shall
5 be recorded in the minutes.

6 (4) The minutes of all meetings and evidence and documentation
7 received or disclosed in open session shall be public records and open to
8 public inspection during normal business hours.

9 (5) Minutes shall be written and available for inspection within ten
10 working days or prior to the next convened meeting, whichever occurs
11 earlier, except that cities of the second class and villages may have an
12 additional ten working days if the employee responsible for writing the
13 minutes is absent due to a serious illness or emergency.

14 Sec. 83. Sections 2, 7, 10, 11, 12, 14, 15, 16, 17, 18, 19, 21, 22,
15 23, 25, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 46, 47, 48,
16 51, 52, 53, 54, 61, 62, 63, 70, 71, 72, 73, 75, 76, 77, 79, 80, 81, 82,
17 84, and 86 of this act become operative on July 1, 2016. The other
18 sections of this act become operative on their effective date.

19 Sec. 84. Original sections 11-119, 13-2202, 77-1601.02, 77-1614,
20 77-1624, 77-1702, 77-1708, 77-2201, 77-2202, 79-102, 79-2,104, 79-407,
21 79-408, 79-413, 79-415, 79-416, 79-433, 79-452, 79-458, 79-458.01,
22 79-467, 79-468, 79-473, 79-549, 79-611, 79-760.02, 79-769, 79-777,
23 79-850, 79-979, 79-1013, 79-1014, 79-1022, 79-1074, 79-1075, 79-1083,
24 79-1084, 79-10,120, 79-10,126, 79-1210, 79-2107, 79-2404, 81-1203, and
25 84-1413, Reissue Revised Statutes of Nebraska, and sections 32-604,
26 32-1203, 68-907, 77-1704.01, and 77-2704.15, Revised Statutes Cumulative
27 Supplement, 2014, are repealed.

28 Sec. 85. Original sections 13-511, 13-903, 77-1772, 79-201, 79-215,
29 79-233, 79-237, 79-238, 79-527, 79-528, 79-760.03, 79-760.05, 79-1003,
30 79-1007.05, 79-1007.11, 79-1007.18, 79-1007.22, 79-1008.02, 79-1024,
31 79-1033, 79-1036, 79-1041, 79-1073, 79-1073.01, 79-1086, and 79-1241.03,

1 Reissue Revised Statutes of Nebraska, and sections 13-503, 13-508,
2 32-546.01, 32-567, 70-651.04, and 77-3442, Revised Statutes Cumulative
3 Supplement, 2014, are repealed.

4 Sec. 86. The following sections are outright repealed: Sections
5 79-4,117, 79-4,118, 79-4,119, 79-4,120, 79-4,121, 79-4,122, 79-4,123,
6 79-4,124, 79-4,125, 79-4,126, 79-4,127, 79-4,128, 79-4,129, 79-10,126.01,
7 79-2101, 79-2102, 79-2102.01, 79-2103, 79-2104, 79-2104.01, 79-2104.02,
8 79-2104.03, 79-2110, 79-2110.01, 79-2111, 79-2112, 79-2113, 79-2114,
9 79-2115, 79-2116, 79-2117, 79-2118, 79-2119, 79-2120, and 79-2121,
10 Reissue Revised Statutes of Nebraska, and 32-555.01, Revised Statutes
11 Cumulative Supplement, 2014.