

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1218

FINAL READING

Introduced by Education Committee: Walz, 15, Chairperson; Day, 49;
McKinney, 11; Morfeld, 46; Pansing Brooks, 28.

Read first time January 20, 2022

Committee: Education

1 A BILL FOR AN ACT relating to education; to amend sections 79-806,
2 79-810, and 79-811, Reissue Revised Statutes of Nebraska, sections
3 79-318, 79-807, and 79-8,137, Revised Statutes Cumulative
4 Supplement, 2020, and sections 77-2716 and 79-813, Revised Statutes
5 Supplement, 2021; to adopt the Teach in Nebraska Today Act; to
6 provide for income tax adjustments; to change provisions relating to
7 certification of qualified educators and the Attracting Excellence
8 to Teaching Program; to harmonize provisions; and to repeal the
9 original sections.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 8 of this act shall be known and may be
2 cited as the Teach in Nebraska Today Act.

3 Sec. 2. For purposes of the Teach in Nebraska Today Act:

4 (1) Default has the same meaning as in 20 U.S.C. 1085, as such
5 section existed on January 1, 2022;

6 (2) Department means the State Department of Education;

7 (3) Program means the Teach in Nebraska Today Program created in
8 section 3 of this act; and

9 (4) Teaching full-time means (a) teaching an average of at least
10 four hours per contract day performing instructional duties as a full-
11 time employee of an approved or accredited public, private,
12 denominational, or parochial school in this state or (b) teaching an
13 average of at least four hours per contract day performing dual-credit
14 instructional duties for students of approved or accredited public,
15 private, denominational, or parochial schools in this state while
16 employed full-time at an accredited public or private nonprofit college
17 or university in this state.

18 Sec. 3. The Teach in Nebraska Today Program is created. The
19 department shall administer the program. The purpose of the program is to
20 attract individuals to the teaching profession who have expressed an
21 interest in teaching and to support the employment of those individuals
22 as classroom teachers by providing student loan repayment assistance for
23 service as a classroom teacher in this state.

24 Sec. 4. (1) Student loan repayment assistance under the program
25 shall be available to an individual who applies for the assistance and
26 who:

27 (a) Is a resident of the State of Nebraska; and

28 (b) Is teaching full-time or has a contract to teach full-time at
29 the time of application for the program.

30 (2) The amount of repayment assistance awarded to an eligible
31 applicant pursuant to this section shall be limited to five thousand

1 dollars per year. An eligible applicant may be awarded repayment
2 assistance for up to five years. The five years of awards are not
3 required to be consecutive but shall not extend beyond eight years in
4 total.

5 (3) If the funds available for repayment assistance in any year are
6 insufficient to provide assistance to all eligible applicants described
7 in subsection (1) of this section, the department shall establish
8 priorities for awarding repayment assistance with renewal applications
9 given priority over initial applications. For initial applications,
10 priority shall be given to applicants who demonstrate financial need.

11 (4) An eligible applicant may receive repayment assistance under the
12 program for the repayment of a student loan received through any lender
13 which was incurred in the applicant's own name for his or her own
14 educational expenses at any accredited public or private nonprofit
15 college or university in this state or any other state. If the loan is
16 not a state or federal guaranteed student loan, the note or other writing
17 governing the terms of the loan must require the loan proceeds to be used
18 for expenses incurred by the applicant to attend an accredited public or
19 private nonprofit college or university in this state or any other state.

20 Sec. 5. Applications for student loan repayment assistance must be
21 submitted no later than June 10, 2023, and no later than June 10 of each
22 year thereafter, on a form developed by the department. The department
23 shall determine whether to approve or deny each application and shall
24 notify each applicant of such determination no later than September 10,
25 2023, and no later than September 10 of each year thereafter. Repayment
26 assistance awarded under the program shall be paid, in whole or in part
27 as provided in section 6 of this act, no later than November 10, 2023,
28 and no later than November 10 of each year thereafter.

29 Sec. 6. (1) Student loan repayment assistance awarded under the
30 program may be applied to the principal amount of the loan and to
31 interest that accrues. The repayment assistance shall be paid in one of

1 the following three ways as directed by the applicant on his or her
2 application:

3 (a) Directly to the lender or loan servicer that holds the
4 outstanding balance of the student loan in one lump-sum payment;

5 (b) Directly to the lender or loan servicer that holds the
6 outstanding balance of the student loan in monthly payments. Such monthly
7 payments shall be made:

8 (i) In twelve equal payments; or

9 (ii) If requested by the applicant, in smaller amounts over a longer
10 period of time, not to exceed twenty-four months. In such case, payments
11 shall be equal for the first twelve months or until such time as the
12 applicant's payment amount is recalculated by the lender or loan servicer
13 and then, if adjusted, shall be equal for the next twelve-month period.
14 Any unpaid funds at the end of twenty-four months may be requested to be
15 paid in a lump-sum payment to the lender or loan servicer or shall be
16 considered forfeited by the applicant. Applicants who are awarded
17 repayment assistance in more than one year may have their awards divided
18 across no more than one hundred twenty monthly payments under the
19 program; or

20 (c) Directly to the applicant for the purpose of making the
21 applicant's student loan payments. This subdivision shall only be
22 available if the applicant is not in default on any student loan at the
23 time of application. Any individual receiving repayment assistance under
24 this subdivision must provide documentation that the full award was used
25 for student loan payments when (i) applying for repayment assistance
26 under the program in subsequent years and (ii) claiming an adjustment to
27 federal adjusted gross income pursuant to section 77-2716. Such
28 documentation shall be provided using a form prescribed by the
29 department.

30 (2) The department may contract with a third-party vendor to
31 administer the repayment assistance provided pursuant to the program.

1 Sec. 7. The total amount of student loan repayment assistance
2 awarded pursuant to the program shall not exceed five million dollars in
3 any fiscal year.

4 Sec. 8. The State Board of Education may adopt and promulgate rules
5 and regulations to carry out the Teach in Nebraska Today Act.

6 Sec. 9. Section 77-2716, Revised Statutes Supplement, 2021, is
7 amended to read:

8 77-2716 (1) The following adjustments to federal adjusted gross
9 income or, for corporations and fiduciaries, federal taxable income shall
10 be made for interest or dividends received:

11 (a)(i) There shall be subtracted interest or dividends received by
12 the owner of obligations of the United States and its territories and
13 possessions or of any authority, commission, or instrumentality of the
14 United States to the extent includable in gross income for federal income
15 tax purposes but exempt from state income taxes under the laws of the
16 United States; and

17 (ii) There shall be subtracted interest received by the owner of
18 obligations of the State of Nebraska or its political subdivisions or
19 authorities which are Build America Bonds to the extent includable in
20 gross income for federal income tax purposes;

21 (b) There shall be subtracted that portion of the total dividends
22 and other income received from a regulated investment company which is
23 attributable to obligations described in subdivision (a) of this
24 subsection as reported to the recipient by the regulated investment
25 company;

26 (c) There shall be added interest or dividends received by the owner
27 of obligations of the District of Columbia, other states of the United
28 States, or their political subdivisions, authorities, commissions, or
29 instrumentalities to the extent excluded in the computation of gross
30 income for federal income tax purposes except that such interest or
31 dividends shall not be added if received by a corporation which is a

1 regulated investment company;

2 (d) There shall be added that portion of the total dividends and
3 other income received from a regulated investment company which is
4 attributable to obligations described in subdivision (c) of this
5 subsection and excluded for federal income tax purposes as reported to
6 the recipient by the regulated investment company; and

7 (e)(i) Any amount subtracted under this subsection shall be reduced
8 by any interest on indebtedness incurred to carry the obligations or
9 securities described in this subsection or the investment in the
10 regulated investment company and by any expenses incurred in the
11 production of interest or dividend income described in this subsection to
12 the extent that such expenses, including amortizable bond premiums, are
13 deductible in determining federal taxable income.

14 (ii) Any amount added under this subsection shall be reduced by any
15 expenses incurred in the production of such income to the extent
16 disallowed in the computation of federal taxable income.

17 (2) There shall be allowed a net operating loss derived from or
18 connected with Nebraska sources computed under rules and regulations
19 adopted and promulgated by the Tax Commissioner consistent, to the extent
20 possible under the Nebraska Revenue Act of 1967, with the laws of the
21 United States. For a resident individual, estate, or trust, the net
22 operating loss computed on the federal income tax return shall be
23 adjusted by the modifications contained in this section. For a
24 nonresident individual, estate, or trust or for a partial-year resident
25 individual, the net operating loss computed on the federal return shall
26 be adjusted by the modifications contained in this section and any
27 carryovers or carrybacks shall be limited to the portion of the loss
28 derived from or connected with Nebraska sources.

29 (3) There shall be subtracted from federal adjusted gross income for
30 all taxable years beginning on or after January 1, 1987, the amount of
31 any state income tax refund to the extent such refund was deducted under

1 the Internal Revenue Code, was not allowed in the computation of the tax
2 due under the Nebraska Revenue Act of 1967, and is included in federal
3 adjusted gross income.

4 (4) Federal adjusted gross income, or, for a fiduciary, federal
5 taxable income shall be modified to exclude the portion of the income or
6 loss received from a small business corporation with an election in
7 effect under subchapter S of the Internal Revenue Code or from a limited
8 liability company organized pursuant to the Nebraska Uniform Limited
9 Liability Company Act that is not derived from or connected with Nebraska
10 sources as determined in section 77-2734.01.

11 (5) There shall be subtracted from federal adjusted gross income or,
12 for corporations and fiduciaries, federal taxable income dividends
13 received or deemed to be received from corporations which are not subject
14 to the Internal Revenue Code.

15 (6) There shall be subtracted from federal taxable income a portion
16 of the income earned by a corporation subject to the Internal Revenue
17 Code of 1986 that is actually taxed by a foreign country or one of its
18 political subdivisions at a rate in excess of the maximum federal tax
19 rate for corporations. The taxpayer may make the computation for each
20 foreign country or for groups of foreign countries. The portion of the
21 taxes that may be deducted shall be computed in the following manner:

22 (a) The amount of federal taxable income from operations within a
23 foreign taxing jurisdiction shall be reduced by the amount of taxes
24 actually paid to the foreign jurisdiction that are not deductible solely
25 because the foreign tax credit was elected on the federal income tax
26 return;

27 (b) The amount of after-tax income shall be divided by one minus the
28 maximum tax rate for corporations in the Internal Revenue Code; and

29 (c) The result of the calculation in subdivision (b) of this
30 subsection shall be subtracted from the amount of federal taxable income
31 used in subdivision (a) of this subsection. The result of such

1 calculation, if greater than zero, shall be subtracted from federal
2 taxable income.

3 (7) Federal adjusted gross income shall be modified to exclude any
4 amount repaid by the taxpayer for which a reduction in federal tax is
5 allowed under section 1341(a)(5) of the Internal Revenue Code.

6 (8)(a) Federal adjusted gross income or, for corporations and
7 fiduciaries, federal taxable income shall be reduced, to the extent
8 included, by income from interest, earnings, and state contributions
9 received from the Nebraska educational savings plan trust created in
10 sections 85-1801 to 85-1817 and any account established under the
11 achieving a better life experience program as provided in sections
12 77-1401 to 77-1409.

13 (b) Federal adjusted gross income or, for corporations and
14 fiduciaries, federal taxable income shall be reduced by any contributions
15 as a participant in the Nebraska educational savings plan trust or
16 contributions to an account established under the achieving a better life
17 experience program made for the benefit of a beneficiary as provided in
18 sections 77-1401 to 77-1409, to the extent not deducted for federal
19 income tax purposes, but not to exceed five thousand dollars per married
20 filing separate return or ten thousand dollars for any other return. With
21 respect to a qualified rollover within the meaning of section 529 of the
22 Internal Revenue Code from another state's plan, any interest, earnings,
23 and state contributions received from the other state's educational
24 savings plan which is qualified under section 529 of the code shall
25 qualify for the reduction provided in this subdivision. For contributions
26 by a custodian of a custodial account including rollovers from another
27 custodial account, the reduction shall only apply to funds added to the
28 custodial account after January 1, 2014.

29 (c) For taxable years beginning or deemed to begin on or after
30 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
31 federal adjusted gross income shall be reduced, to the extent included in

1 the adjusted gross income of an individual, by the amount of any
2 contribution made by the individual's employer into an account under the
3 Nebraska educational savings plan trust owned by the individual, not to
4 exceed five thousand dollars per married filing separate return or ten
5 thousand dollars for any other return.

6 (d) Federal adjusted gross income or, for corporations and
7 fiduciaries, federal taxable income shall be increased by:

8 (i) The amount resulting from the cancellation of a participation
9 agreement refunded to the taxpayer as a participant in the Nebraska
10 educational savings plan trust to the extent previously deducted under
11 subdivision (8)(b) of this section; and

12 (ii) The amount of any withdrawals by the owner of an account
13 established under the achieving a better life experience program as
14 provided in sections 77-1401 to 77-1409 for nonqualified expenses to the
15 extent previously deducted under subdivision (8)(b) of this section.

16 (9)(a) For income tax returns filed after September 10, 2001, for
17 taxable years beginning or deemed to begin before January 1, 2006, under
18 the Internal Revenue Code of 1986, as amended, federal adjusted gross
19 income or, for corporations and fiduciaries, federal taxable income shall
20 be increased by eighty-five percent of any amount of any federal bonus
21 depreciation received under the federal Job Creation and Worker
22 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
23 under section 168(k) or section 1400L of the Internal Revenue Code of
24 1986, as amended, for assets placed in service after September 10, 2001,
25 and before December 31, 2005.

26 (b) For a partnership, limited liability company, cooperative,
27 including any cooperative exempt from income taxes under section 521 of
28 the Internal Revenue Code of 1986, as amended, limited cooperative
29 association, subchapter S corporation, or joint venture, the increase
30 shall be distributed to the partners, members, shareholders, patrons, or
31 beneficiaries in the same manner as income is distributed for use against

1 their income tax liabilities.

2 (c) For a corporation with a unitary business having activity both
3 inside and outside the state, the increase shall be apportioned to
4 Nebraska in the same manner as income is apportioned to the state by
5 section 77-2734.05.

6 (d) The amount of bonus depreciation added to federal adjusted gross
7 income or, for corporations and fiduciaries, federal taxable income by
8 this subsection shall be subtracted in a later taxable year. Twenty
9 percent of the total amount of bonus depreciation added back by this
10 subsection for tax years beginning or deemed to begin before January 1,
11 2003, under the Internal Revenue Code of 1986, as amended, may be
12 subtracted in the first taxable year beginning or deemed to begin on or
13 after January 1, 2005, under the Internal Revenue Code of 1986, as
14 amended, and twenty percent in each of the next four following taxable
15 years. Twenty percent of the total amount of bonus depreciation added
16 back by this subsection for tax years beginning or deemed to begin on or
17 after January 1, 2003, may be subtracted in the first taxable year
18 beginning or deemed to begin on or after January 1, 2006, under the
19 Internal Revenue Code of 1986, as amended, and twenty percent in each of
20 the next four following taxable years.

21 (10) For taxable years beginning or deemed to begin on or after
22 January 1, 2003, and before January 1, 2006, under the Internal Revenue
23 Code of 1986, as amended, federal adjusted gross income or, for
24 corporations and fiduciaries, federal taxable income shall be increased
25 by the amount of any capital investment that is expensed under section
26 179 of the Internal Revenue Code of 1986, as amended, that is in excess
27 of twenty-five thousand dollars that is allowed under the federal Jobs
28 and Growth Tax Act of 2003. Twenty percent of the total amount of
29 expensing added back by this subsection for tax years beginning or deemed
30 to begin on or after January 1, 2003, may be subtracted in the first
31 taxable year beginning or deemed to begin on or after January 1, 2006,

1 under the Internal Revenue Code of 1986, as amended, and twenty percent
2 in each of the next four following tax years.

3 (11)(a) For taxable years beginning or deemed to begin before
4 January 1, 2018, under the Internal Revenue Code of 1986, as amended,
5 federal adjusted gross income shall be reduced by contributions, up to
6 two thousand dollars per married filing jointly return or one thousand
7 dollars for any other return, and any investment earnings made as a
8 participant in the Nebraska long-term care savings plan under the Long-
9 Term Care Savings Plan Act, to the extent not deducted for federal income
10 tax purposes.

11 (b) For taxable years beginning or deemed to begin before January 1,
12 2018, under the Internal Revenue Code of 1986, as amended, federal
13 adjusted gross income shall be increased by the withdrawals made as a
14 participant in the Nebraska long-term care savings plan under the act by
15 a person who is not a qualified individual or for any reason other than
16 transfer of funds to a spouse, long-term care expenses, long-term care
17 insurance premiums, or death of the participant, including withdrawals
18 made by reason of cancellation of the participation agreement, to the
19 extent previously deducted as a contribution or as investment earnings.

20 (12) There shall be added to federal adjusted gross income for
21 individuals, estates, and trusts any amount taken as a credit for
22 franchise tax paid by a financial institution under sections 77-3801 to
23 77-3807 as allowed by subsection (5) of section 77-2715.07.

24 (13)(a) For taxable years beginning or deemed to begin on or after
25 January 1, 2015, under the Internal Revenue Code of 1986, as amended,
26 federal adjusted gross income shall be reduced by the amount received as
27 benefits under the federal Social Security Act which are included in the
28 federal adjusted gross income if:

29 (i) For taxpayers filing a married filing joint return, federal
30 adjusted gross income is fifty-eight thousand dollars or less; or

31 (ii) For taxpayers filing any other return, federal adjusted gross

1 income is forty-three thousand dollars or less.

2 (b) For taxable years beginning or deemed to begin on or after
3 January 1, 2020, under the Internal Revenue Code of 1986, as amended, the
4 Tax Commissioner shall adjust the dollar amounts provided in subdivisions
5 (13)(a)(i) and (ii) of this section by the same percentage used to adjust
6 individual income tax brackets under subsection (3) of section
7 77-2715.03.

8 (c) For taxable years beginning or deemed to begin on or after
9 January 1, 2021, under the Internal Revenue Code of 1986, as amended, a
10 taxpayer may claim the reduction to federal adjusted gross income allowed
11 under this subsection or the reduction to federal adjusted gross income
12 allowed under subsection (14) of this section, whichever provides the
13 greater reduction.

14 (14)(a) For taxable years beginning or deemed to begin on or after
15 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
16 federal adjusted gross income shall be reduced by a percentage of the
17 social security benefits that are received and included in federal
18 adjusted gross income. The pertinent percentage shall be:

19 (i) Five percent for taxable years beginning or deemed to begin on
20 or after January 1, 2021, and before January 1, 2022, under the Internal
21 Revenue Code of 1986, as amended;

22 (ii) Twenty percent for taxable years beginning or deemed to begin
23 on or after January 1, 2022, and before January 1, 2023, under the
24 Internal Revenue Code of 1986, as amended;

25 (iii) Thirty percent for taxable years beginning or deemed to begin
26 on or after January 1, 2023, and before January 1, 2024, under the
27 Internal Revenue Code of 1986, as amended;

28 (iv) Forty percent for taxable years beginning or deemed to begin on
29 or after January 1, 2024, and before January 1, 2025, under the Internal
30 Revenue Code of 1986, as amended; and

31 (v) Fifty percent for taxable years beginning or deemed to begin on

1 or after January 1, 2025, under the Internal Revenue Code of 1986, as
2 amended.

3 (b) It is the intent of the Legislature to enact legislation within
4 five years after August 28, 2021, to increase the percentage of social
5 security benefits that are excluded under this subsection to (i) sixty
6 percent for taxable years beginning or deemed to begin on or after
7 January 1, 2026, and before January 1, 2027, under the Internal Revenue
8 Code of 1986, as amended, (ii) seventy percent for taxable years
9 beginning or deemed to begin on or after January 1, 2027, and before
10 January 1, 2028, under the Internal Revenue Code of 1986, as amended,
11 (iii) eighty percent for taxable years beginning or deemed to begin on or
12 after January 1, 2028, and before January 1, 2029, under the Internal
13 Revenue Code of 1986, as amended, (iv) ninety percent for taxable years
14 beginning or deemed to begin on or after January 1, 2029, and before
15 January 1, 2030, under the Internal Revenue Code of 1986, as amended, and
16 (v) one hundred percent for taxable years beginning or deemed to begin on
17 or after January 1, 2030, under the Internal Revenue Code of 1986, as
18 amended.

19 (c) For purposes of this subsection, social security benefits means
20 benefits received under the federal Social Security Act.

21 (d) For taxable years beginning or deemed to begin on or after
22 January 1, 2021, under the Internal Revenue Code of 1986, as amended, a
23 taxpayer may claim the reduction to federal adjusted gross income allowed
24 under this subsection or the reduction to federal adjusted gross income
25 allowed under subsection (13) of this section, whichever provides the
26 greater reduction.

27 (15)(a) For taxable years beginning or deemed to begin on or after
28 January 1, 2015, and before January 1, 2022, under the Internal Revenue
29 Code of 1986, as amended, an individual may make a one-time election
30 within two calendar years after the date of his or her retirement from
31 the military to exclude income received as a military retirement benefit

1 by the individual to the extent included in federal adjusted gross income
2 and as provided in this subdivision. The individual may elect to exclude
3 forty percent of his or her military retirement benefit income for seven
4 consecutive taxable years beginning with the year in which the election
5 is made or may elect to exclude fifteen percent of his or her military
6 retirement benefit income for all taxable years beginning with the year
7 in which he or she turns sixty-seven years of age.

8 (b) For taxable years beginning or deemed to begin on or after
9 January 1, 2022, under the Internal Revenue Code of 1986, as amended, an
10 individual may exclude one hundred percent of the military retirement
11 benefit income received by such individual to the extent included in
12 federal adjusted gross income.

13 (c) For purposes of this subsection, military retirement benefit
14 means retirement benefits that are periodic payments attributable to
15 service in the uniformed services of the United States for personal
16 services performed by an individual prior to his or her retirement. The
17 term includes retirement benefits described in this subdivision that are
18 reported to the individual on either:

19 (i) An Internal Revenue Service Form 1099-R received from the United
20 States Department of Defense; or

21 (ii) An Internal Revenue Service Form 1099-R received from the
22 United States Office of Personnel Management.

23 (16) For taxable years beginning or deemed to begin on or after
24 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
25 federal adjusted gross income shall be reduced by the amount received as
26 a Segal AmeriCorps Education Award, to the extent such amount is included
27 in federal adjusted gross income.

28 (17) For taxable years beginning or deemed to begin on or after
29 January 1, 2022, under the Internal Revenue Code of 1986, as amended,
30 federal adjusted gross income shall be reduced by the amount received by
31 or on behalf of a firefighter for cancer benefits under the Firefighter

1 Cancer Benefits Act to the extent included in federal adjusted gross
2 income.

3 (18) There shall be subtracted from the federal adjusted gross
4 income of individuals any amount received by the individual as student
5 loan repayment assistance under the Teach in Nebraska Today Act, to the
6 extent such amount is included in federal adjusted gross income.

7 Sec. 10. Section 79-318, Revised Statutes Cumulative Supplement,
8 2020, is amended to read:

9 79-318 The State Board of Education shall:

10 (1) Appoint and fix the compensation of the Commissioner of
11 Education;

12 (2) Remove the commissioner from office at any time for conviction
13 of any crime involving moral turpitude or felonious act, for
14 inefficiency, or for willful and continuous disregard of his or her
15 duties as commissioner or of the directives of the board;

16 (3) Upon recommendation of the commissioner, appoint and fix the
17 compensation of all new professional positions in the department,
18 including any deputy commissioners;

19 (4) Organize the State Department of Education into such divisions,
20 branches, or sections as may be necessary or desirable to perform all its
21 proper functions and to render maximum service to the board and to the
22 state school system;

23 (5) Provide, through the commissioner and his or her professional
24 staff, enlightened professional leadership, guidance, and supervision of
25 the state school system, including educational service units. In order
26 that the commissioner and his or her staff may carry out their duties,
27 the board shall, through the commissioner: (a) Provide supervisory and
28 consultation services to the schools of the state; (b) issue materials
29 helpful in the development, maintenance, and improvement of educational
30 facilities and programs; (c) establish rules and regulations which govern
31 standards and procedures for the approval and legal operation of all

1 schools in the state and for the accreditation of all schools requesting
2 state accreditation. All public, private, denominational, or parochial
3 schools shall either comply with the accreditation or approval
4 requirements prescribed in this section and section 79-703 or, for those
5 schools which elect not to meet accreditation or approval requirements,
6 the requirements prescribed in subsections (2) through (6) of section
7 79-1601. Standards and procedures for approval and accreditation shall be
8 based upon the program of studies, guidance services, the number and
9 preparation of teachers in relation to the curriculum and enrollment,
10 instructional materials and equipment, science facilities and equipment,
11 library facilities and materials, and health and safety factors in
12 buildings and grounds. Rules and regulations which govern standards and
13 procedures for private, denominational, and parochial schools which
14 elect, pursuant to the procedures prescribed in subsections (2) through
15 (6) of section 79-1601, not to meet state accreditation or approval
16 requirements shall be as described in such section; (d) institute a
17 statewide system of testing to determine the degree of achievement and
18 accomplishment of all the students within the state's school systems if
19 it determines such testing would be advisable; (e) prescribe a uniform
20 system of records and accounting for keeping adequate educational and
21 financial records, for gathering and reporting necessary educational
22 data, and for evaluating educational progress; (f) cause to be published
23 laws, rules, and regulations governing the schools and the school lands
24 and funds with explanatory notes for the guidance of those charged with
25 the administration of the schools of the state; (g) approve teacher
26 education programs conducted in Nebraska postsecondary educational
27 institutions designed for the purpose of certificating teachers and
28 administrators, except that such approval shall not require a statewide
29 examination as an entrance requirement related to basic skills
30 competency; (h) approve certificated-employee evaluation policies and
31 procedures developed by school districts and educational service units;

1 and (i) approve general plans and adopt educational policies, standards,
2 rules, and regulations for carrying out the board's responsibilities and
3 those assigned to the State Department of Education by the Legislature;

4 (6) Adopt and promulgate rules and regulations for the guidance,
5 supervision, accreditation, and coordination of educational service
6 units. Such rules and regulations for accreditation shall include, but
7 not be limited to, (a) a requirement that programs and services offered
8 to school districts by each educational service unit shall be evaluated
9 on a regular basis, but not less than every seven years, to assure that
10 educational service units remain responsive to school district needs and
11 (b) guidelines for the use and management of funds generated from the
12 property tax levy and from other sources of revenue as may be available
13 to the educational service units, to assure that public funds are used to
14 accomplish the purposes and goals assigned to the educational service
15 units by section 79-1204. The State Board of Education shall establish
16 procedures to encourage the coordination of activities among educational
17 service units and to encourage effective and efficient educational
18 service delivery on a statewide basis;

19 (7) Prepare and distribute reports designed to acquaint school
20 district officers, teachers, and patrons of the schools with the
21 conditions and needs of the schools;

22 (8) Provide for consultation with professional educators and lay
23 leaders for the purpose of securing advice deemed necessary in the
24 formulation of policies and in the effectual discharge of its duties;

25 (9) Make studies, investigations, and reports and assemble
26 information as necessary for the formulation of policies, for making
27 plans, for evaluating the state school program, and for making essential
28 and adequate reports;

29 (10) Submit to the Governor and the Legislature a budget necessary
30 to finance the state school program under its jurisdiction, including the
31 internal operation and maintenance of the State Department of Education;

1 (11) Interpret its own policies, standards, rules, and regulations
2 and, upon reasonable request, hear complaints and disputes arising
3 therefrom;

4 (12) With the advice of the Department of Motor Vehicles, adopt and
5 promulgate rules and regulations containing reasonable standards, not
6 inconsistent with existing statutes, governing: (a) The general design,
7 equipment, color, operation, and maintenance of any vehicle with a
8 manufacturer's rated seating capacity of eleven or more passengers used
9 for the transportation of public, private, denominational, or parochial
10 school students; and (b) the equipment, operation, and maintenance of any
11 vehicle with a capacity of ten or less passengers used for the
12 transportation of public, private, denominational, or parochial school
13 students, when such vehicles are owned, operated, or owned and operated
14 by any public, private, denominational, or parochial school or privately
15 owned or operated under contract with any such school in this state,
16 except for vehicles owned by individuals operating a school which elects
17 pursuant to section 79-1601 not to meet accreditation or approval
18 requirements. Similar rules and regulations shall be adopted and
19 promulgated for operators of such vehicles as provided in section 79-607;

20 (13) Accept, on behalf of the Nebraska Center for the Education of
21 Children who are Blind or Visually Impaired, devises of real property or
22 donations or bequests of other property, or both, if in its judgment any
23 such devise, donation, or bequest is for the best interest of the center
24 or the students receiving services from the center, or both, and irrigate
25 or otherwise improve any such real estate when in the board's judgment it
26 would be advisable to do so; and

27 (14) Upon acceptance of any devise, donation, or bequest as provided
28 in this section, administer and carry out such devise, donation, or
29 bequest in accordance with the terms and conditions thereof. If not
30 prohibited by the terms and conditions of any such devise, donation, or
31 bequest, the board may sell, convey, exchange, or lease property so

1 devised, donated, or bequeathed upon such terms and conditions as it
2 deems best and remit all money derived from any such sale or lease to the
3 State Treasurer for credit to the State Department of Education Trust
4 Fund.

5 None of the duties prescribed in this section shall prevent the
6 board from exercising such other duties as in its judgment may be
7 necessary for the proper and legal exercise of its obligations.

8 Sec. 11. Section 79-806, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-806 (1) The Legislature finds and declares:

11 (a) That there is an educator workforce shortage in this state and
12 that efforts need to be made to recruit, prepare, retain, and support the
13 teaching profession while maintaining high-quality educators in our
14 classrooms around the state;

15 (b) That the pool of qualified individuals for the teaching
16 profession has been reduced statewide, in part, due to requirements in
17 place as of the effective date of this act for applicants to prove
18 proficiency in basic skills competency by passing a prescribed
19 examination in reading, writing, and mathematics before being accepted
20 into a teacher education program of a standard institution of higher
21 education approved by the State Board of Education pursuant to
22 subdivision (5)(g) of section 79-318 or issued any certificate under
23 sections 79-806 to 79-815 and the rules and regulations adopted and
24 promulgated by the board pursuant to such sections as of the effective
25 date of this act;

26 (c) That candidates for certification should possess academic
27 competency to teach effectively and that multiple measures can
28 proficiently demonstrate such competency. A demonstration of basic skills
29 competency should not be based solely on a single assessment high-stakes
30 examination because such an examination does not accurately portray a
31 teacher candidate's general knowledge in mathematics, reading, and

1 writing when measured within such a testing environment; and

2 (d) That candidates for certification, including candidates coming
3 to Nebraska from other states, should be able to use a portfolio of
4 options to demonstrate basic skills competency, such as coursework taken
5 to satisfy college degree requirements and college admissions
6 examinations.

7 (2) Therefore, it ~~It~~ is declared to be the purpose of sections
8 79-806 to 79-815 to provide more flexibility in the certification of
9 qualified educators for Nebraska schools and not to decrease any
10 requirements for certificates to teach, provide special services, and
11 administer in Nebraska schools.

12 Sec. 12. Section 79-807, Revised Statutes Cumulative Supplement,
13 2020, is amended to read:

14 79-807 For purposes of sections 79-806 to 79-815, unless the context
15 otherwise requires:

16 (1) Basic skills competency means either (a) proficiency in (i) the
17 written use of the English language, (ii) reading, comprehending, and
18 interpreting professional writing and other written materials, and (iii)
19 working with fundamental mathematical computations as demonstrated by
20 successful completion of an examination designated by the board or (b)
21 successful employment experiences;

22 (2) Board means the State Board of Education;

23 (3) Certificate means an authorization issued by the commissioner to
24 an individual who meets the qualifications to engage in teaching,
25 providing special services, or administering in prekindergarten through
26 grade twelve in the elementary and secondary schools in this state;

27 (4) Commissioner means the Commissioner of Education;

28 (5) Department means the State Department of Education;

29 (6) Human relations training means course work or employment
30 experiences that lead to (a) an awareness and understanding of the
31 values, lifestyles, contributions, and history of a pluralistic society,

1 (b) the ability to recognize and deal with dehumanizing biases,
2 including, but not limited to, sexism, racism, prejudice, and
3 discrimination, and an awareness of the impact such biases have on
4 interpersonal relations, (c) the ability to translate knowledge of human
5 relations into attitudes, skills, and techniques which result in
6 favorable experiences for students, (d) the ability to recognize the ways
7 in which dehumanizing biases may be reflected in instructional materials,
8 (e) respect for human dignity and individual rights, and (f) the ability
9 to relate effectively to other individuals and to groups in a pluralistic
10 society other than the applicant's own;

11 (7) Special education training means course work or employment
12 experiences that provide an individual with the knowledge of (a) the
13 exceptional needs of the disabilities defined under the Special Education
14 Act, (b) the major characteristics of each disability in order to
15 recognize its existence in children, (c) the various alternatives for
16 providing the least restrictive environment for children with
17 disabilities, (d) methods of teaching children with disabilities in the
18 regular classroom, and (e) prereferral alternatives, referral systems,
19 multidisciplinary team responsibilities, the individualized education
20 program plan ~~plan~~ process, and the placement process;

21 (8) Special services means supportive services provided to students
22 that do not primarily involve teaching, including, but not limited to,
23 (a) audiology, psychology, and physical or occupational therapy, (b) the
24 coaching of extracurricular activities, and (c) subject areas for which
25 endorsement programs are not offered by a standard institution of higher
26 education; and

27 (9) Standard institution of higher education means any college or
28 university, the teacher education programs of which are fully approved by
29 the board or approved in another state pursuant to standards which are
30 comparable and equivalent to those set by the board.

31 Sec. 13. Section 79-810, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 79-810 (1) Certificates and permits shall be issued by the
3 commissioner upon application on forms prescribed and provided by him or
4 her which shall include the applicant's social security number.

5 (2) Each certificate or permit issued by the commissioner shall
6 indicate the area of authorization to teach, provide special services, or
7 administer and any areas of endorsement for which the holder qualifies.
8 During the term of any certificate or permit issued by the commissioner,
9 additional endorsements may be made on the certificate or permit if the
10 holder submits an application, meets the requirements for issuance of the
11 additional endorsements, and pays a nonrefundable fee as set by the
12 commissioner, not to exceed fifty-five of forty dollars.

13 (3) The Certification Fund is created. Any fee received by the
14 department under sections 79-806 to 79-815 shall be remitted to the State
15 Treasurer for credit to the fund. The fund shall be used by the
16 department in paying the costs of certifying educators pursuant to such
17 sections and to carry out subsection (3) of section 79-808. For issuance
18 of a certificate or permit valid in all schools, the nonrefundable fee
19 shall be set by the commissioner, not to exceed seventy-five fifty-five
20 dollars, except that the commissioner shall designate a portion of the
21 thirteen dollars of the fifty-five-dollar fee, not to exceed seventeen
22 dollars, that shall be credited to the Professional Practices Commission
23 Fund which is created for use by the department to pay for the provisions
24 of sections 79-859 to 79-871, ~~except that transfers may be made from the~~
25 ~~fund to the General Fund at the direction of the Legislature.~~ For
26 issuance of a certificate or permit valid only in nonpublic schools, the
27 nonrefundable fee shall be set by the commissioner, not to exceed fifty-
28 five forty dollars. Any money in the Certification Fund or the
29 Professional Practices Commission Fund available for investment shall be
30 invested by the state investment officer pursuant to the Nebraska Capital
31 Expansion Act and the Nebraska State Funds Investment Act.

1 Sec. 14. Section 79-811, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 79-811 (1) Except as provided in subsection (2) of this section for
4 applicants who possess a similar certification or permit in another
5 state, all ~~All~~ college credits submitted for the purpose of obtaining a
6 certificate or permit shall be earned in or accepted by a standard
7 institution of higher education and shall be certified by the proper
8 authorities of the institution attended, showing the academic and
9 professional preparation of the applicant.

10 (2) If an applicant possesses a similar certification or permit in
11 another state, such applicant's eligibility for a certificate or permit
12 in this state may be demonstrated by experience as an educator in such
13 other state which shows the academic and professional preparation of the
14 applicant.

15 Sec. 15. Section 79-813, Revised Statutes Supplement, 2021, is
16 amended to read:

17 79-813 (1)(a) The board shall authorize the issuance of a
18 certificate or permit to any applicant for such certificate or permit
19 who:

20 (i) Is a military spouse or has been offered employment to teach,
21 administer, or provide special services by an accredited school district
22 in Nebraska or an approved and accredited private, denominational, or
23 parochial school in Nebraska;

24 (ii) Holds a valid certificate or permit currently in force in
25 another state to teach, administer, or provide special services;

26 (iii) Has held such certificate or permit for at least one year;

27 (iv) Is in good standing in all states where a certificate or permit
28 to teach, administer, or provide special services is held;

29 (v) Does not have any pending investigations or complaints against
30 any such certificate or permit;

31 (vi) Meets all residency and background check requirements otherwise

1 required for a Nebraska certificate or permit; and

2 (vii) Pays any applicable fees.

3 (b) The commissioner shall verify that the applicant for a
4 certificate or permit under this subsection meets the requirements of
5 subdivisions (a)(iv) and (v) of this subsection. Such applicant shall not
6 be required to meet the human relations training requirement under
7 section 79-808 to obtain such certification or permit. Such certificate
8 or permit shall be valid for at least three years and shall include the
9 same or similar endorsements to teach in all subject areas for which the
10 applicant had been certified to teach in such other state if a similar
11 endorsement is offered in Nebraska.

12 (c) A preliminary permit shall be issued to an applicant upon
13 submission of the application, payment of the applicable fees, and the
14 successful completion of the criminal history record information check as
15 provided in section 79-814.01. The preliminary permit shall remain in
16 force until the commissioner completes the review of all requirements in
17 subdivision (1)(a) of this section and either issues a certificate or
18 permit or notifies the applicant of the reason such certificate or permit
19 cannot be issued.

20 (d) The board shall adopt and promulgate rules and regulations to
21 (i) expedite the processing of an application submitted under this
22 subsection by an applicant whose spouse is serving on active duty at the
23 time of such submission and (ii) specify the documentation necessary to
24 establish the applicant's status as a spouse of a person who is serving
25 on active duty at the time of such submission.

26 (e) For purposes of this subsection:

27 (i) Active duty means full-time duty status in the active uniformed
28 service of the United States, including members of the National Guard and
29 Reserve on active duty orders pursuant to 10 U.S.C. chapters 1209 and
30 1211; and

31 (ii) Military spouse has the same meaning as in section 38-118.01.

1 (2) In addition to certificates and permits issued pursuant to
2 subsection (1) of this section, the board may authorize the issuance of
3 certificates or permits to applicants who hold a valid certificate or
4 permit currently in force in another state if the requirements for the
5 certificate or permit held by the applicant are comparable and equivalent
6 to those required for a similar type of certificate or permit issued
7 under sections 79-806 to 79-815.

8 Sec. 16. Section 79-8,137, Revised Statutes Cumulative Supplement,
9 2020, is amended to read:

10 79-8,137 (1)(a) Prior to receiving any money from a loan pursuant to
11 the Attracting Excellence to Teaching Program, an eligible student shall
12 enter into a contract with the department. Such contract shall be exempt
13 from the requirements of sections 73-501 to 73-510.

14 (b) For eligible students who applied for the first time prior to
15 April 23, 2009, the contract shall require that if (i) the borrower is
16 not employed as a teacher in Nebraska for a time period equal to the
17 number of years required for loan forgiveness pursuant to subsection (2)
18 of this section and is not enrolled as a full-time student in a graduate
19 program within six months after obtaining an undergraduate degree for
20 which a loan from the program was obtained or (ii) the borrower does not
21 complete the requirements for graduation within five consecutive years
22 after receiving the initial loan under the program, then the loan must be
23 repaid, with interest at the rate fixed pursuant to section 45-103
24 accruing as of the date the borrower signed the contract, and an
25 appropriate penalty as determined by the department may be assessed. If a
26 borrower fails to remain enrolled at an eligible institution or otherwise
27 fails to meet the requirements of an eligible student, repayment of the
28 loan shall commence within six months after such change in eligibility.
29 The State Board of Education may by rules and regulations provide for
30 exceptions to the conditions of repayment pursuant to this subdivision
31 based upon mitigating circumstances.

1 (c) For eligible students who apply for the first time on or after
2 April 23, 2009, the contract shall require that if (i) the borrower is
3 not employed as a full-time teacher teaching in an approved or accredited
4 school in Nebraska and teaching at least a portion of the time in the
5 shortage area for which the loan was received for a time period equal to
6 the number of years required for loan forgiveness pursuant to subsection
7 (3) of this section or is not enrolled as a full-time student in a
8 graduate program within six months after obtaining an undergraduate
9 degree for which a loan from the program was obtained or (ii) the
10 borrower does not complete the requirements for graduation within five
11 consecutive years after receiving the initial loan under the program,
12 then the loan shall be repaid with interest at the rate fixed pursuant to
13 section 45-103 accruing as of the date the borrower signed the contract
14 and actual collection costs as determined by the department. If a
15 borrower fails to remain enrolled at an eligible institution or otherwise
16 fails to continue to be an eligible student, repayment of the loan shall
17 commence within six months after such change in eligibility. The State
18 Board of Education may by rule and regulation provide for exceptions to
19 the conditions of repayment pursuant to this subdivision based upon
20 mitigating circumstances.

21 (2) If the borrower applied for the first time prior to April 23,
22 2009, and (a) successfully completes the teacher education program and
23 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes
24 employed as a teacher in this state within six months of becoming
25 certified, and (c) otherwise meets the requirements of the contract,
26 payments shall be suspended for the number of years that the borrower is
27 required to remain employed as a teacher in this state under the
28 contract. For each year that the borrower teaches in Nebraska pursuant to
29 the contract, payments shall be forgiven in an amount equal to the amount
30 borrowed for one year, except that if the borrower teaches in a school
31 district that is in a local system classified as very sparse as defined

1 in section 79-1003 or teaches in a school district in which at least
2 forty percent of the students are poverty students as defined in section
3 79-1003, payments shall be forgiven each year in an amount equal to the
4 amount borrowed for two years.

5 (3)(a) If the borrower applies for the first time on or after April
6 23, 2009, and (i) successfully completes the teacher education program
7 and major for which the borrower is receiving a forgivable loan pursuant
8 to the program and becomes certified pursuant to sections 79-806 to
9 79-815 with an endorsement in the shortage area for which the loan was
10 received, (ii) becomes employed as a full-time teacher teaching at least
11 a portion of the time in the shortage area for which the loan was
12 received in an approved or accredited school in this state within six
13 months of becoming certified, and (iii) otherwise meets the requirements
14 of the contract, payments shall be suspended for the number of years that
15 the borrower is required to remain employed as a teacher in this state
16 under the contract.

17 (b) Beginning after the first two years of teaching full-time in
18 Nebraska following graduation for the degree for which the loan was
19 received, for each year that the borrower teaches full-time in Nebraska
20 pursuant to the contract, the loan shall be forgiven in an amount equal
21 to three thousand dollars, except that if the borrower teaches full-time
22 in a school district that is in a local system classified as very sparse
23 as defined in section 79-1003, teaches in a school building that provides
24 free meals to all students pursuant to the community eligibility
25 provision, teaches in a school building in which at least forty percent
26 of the formula students are poverty students as defined in section
27 79-1003, or teaches in an accredited or approved private school in
28 Nebraska in which at least forty percent of the enrolled students
29 qualified for free lunches as determined by the most recent data
30 available from the department, payments shall be forgiven each year in an
31 amount equal to six thousand dollars.

1 (4) Beginning on August 1, 2022, if the borrower provides service as
2 a pre-service teacher intern for a full academic semester as part of a
3 clinical experience within an accredited or approved public, private,
4 denominational, or parochial school in Nebraska and subsequently passes
5 all related semester requirements, then the loan shall be forgiven in an
6 amount equal to one thousand dollars for such borrower.

7 Sec. 17. Original sections 79-806, 79-810, and 79-811, Reissue
8 Revised Statutes of Nebraska, sections 79-318, 79-807, and 79-8,137,
9 Revised Statutes Cumulative Supplement, 2020, and sections 77-2716 and
10 79-813, Revised Statutes Supplement, 2021, are repealed.