

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 524**

Introduced by Sullivan, 41.

Read first time January 21, 2015

Committee:

1 A BILL FOR AN ACT relating to schools; to amend sections 79-101,  
2 79-8,137, 79-8,137.04, 79-1003, 79-1003.01, 79-1013, 79-2110,  
3 79-2113, 79-2115, and 79-2120, Reissue Revised Statutes of Nebraska;  
4 to provide for information relating to eligibility for free or  
5 reduced-price lunches for students; to define and redefine terms; to  
6 change provisions relating to a summer school allowance, a poverty  
7 plan, a diversity plan, elementary learning centers, learning  
8 community funds, and certification of students relating to the  
9 Community Eligibility Provision as prescribed; to harmonize  
10 provisions; and to repeal the original sections.

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

1 Section 1. Section 79-101, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 79-101 For purposes of Chapter 79:

4 (1) School district means the territory under the jurisdiction of a  
5 single school board authorized by Chapter 79;

6 (2) School means a school under the jurisdiction of a school board  
7 authorized by Chapter 79;

8 (3) Legal voter means a registered voter as defined in section  
9 32-115 who is domiciled in a precinct or ward in which he or she is  
10 registered to vote and which precinct or ward lies in whole or in part  
11 within the boundaries of a school district for which the registered voter  
12 chooses to exercise his or her right to vote at a school district  
13 election or at an annual or special meeting of a Class I school district;

14 (4) Prekindergarten programs means all early childhood programs  
15 provided for children who have not reached the age of five by the date  
16 provided in section 79-214 for kindergarten entrance;

17 (5) Elementary grades means grades kindergarten through eight,  
18 inclusive;

19 (6) High school grades means all grades above the eighth grade;

20 (7) School year means (a) for elementary grades other than  
21 kindergarten, the time equivalent to at least one thousand thirty-two  
22 instructional hours and (b) for high school grades, the time equivalent  
23 to at least one thousand eighty instructional hours;

24 (8) Instructional hour means a period of time, at least sixty  
25 minutes, which is actually used for the instruction of students;

26 (9) Teacher means any certified employee who is regularly employed  
27 for the instruction of pupils in the public schools;

28 (10) Administrator means any certified employee such as  
29 superintendent, assistant superintendent, principal, assistant principal,  
30 school nurse, or other supervisory or administrative personnel who do not  
31 have as a primary duty the instruction of pupils in the public schools;

1 (11) School board means the governing body of any school district.  
2 Board of education has the same meaning as school board;

3 (12) Teach means and includes, but is not limited to, the following  
4 responsibilities: (a) The organization and management of the classroom or  
5 the physical area in which the learning experiences of pupils take place;  
6 (b) the assessment and diagnosis of the individual educational needs of  
7 the pupils; (c) the planning, selecting, organizing, prescribing, and  
8 directing of the learning experiences of pupils; (d) the planning of  
9 teaching strategies and the selection of available materials and  
10 equipment to be used; and (e) the evaluation and reporting of student  
11 progress;

12 (13) Permanent school fund means the fund described in section  
13 79-1035.01;

14 (14) Temporary school fund means the fund described in section  
15 79-1035.02; ~~and~~

16 (15) School lands means the lands described in section 79-1035.03.  
17 Educational lands has the same meaning as school lands; and -

18 (16) Community Eligibility Provision means the alternative to  
19 household applications for free and reduced-price meals in high-poverty  
20 schools enacted in section 104(a) of the federal Healthy, Hunger-Free  
21 Kids Act of 2010, amended section 11(a)(1) of the Richard B. Russell  
22 National School Lunch Act, 42 U.S.C. 1759a(a)(1), as such act and section  
23 existed on January 1, 2015, and administered by the United States  
24 Department of Agriculture.

25 The State Board of Education may adopt and promulgate rules and  
26 regulations to define school day and other appropriate units of the  
27 school calendar.

28 Sec. 2. A parent or guardian of any student enrolled in, or in the  
29 process of enrolling in, any school district in the state may voluntarily  
30 provide information on any application submitted pursuant to Nebraska  
31 law, rules, and regulations regarding the applicant's potential to meet

1 the qualifications for free or reduced-price lunches without regard to  
2 whether the school the child attends, or will attend, is a school that  
3 uses such information to qualify students for free or reduced-price meals  
4 or a school that provides free meals to all students pursuant to the  
5 Community Eligibility Provision. Each school district shall process  
6 information provided pursuant to this section for students who attend a  
7 school that provides free meals to all students pursuant to the Community  
8 Eligibility Provision in the same manner to determine the qualification  
9 status of the student as the information for students who attend school  
10 in a school building that uses such information to qualify students for  
11 free or reduced-price meals. Each school district shall comply with the  
12 federal Family Educational Rights and Privacy Act of 1974, 20 U.S.C.  
13 1232g, as such act and section existed on January 1, 2015, and  
14 regulations adopted thereunder with regard to any information collected  
15 pursuant to this section. If no such information is provided, the student  
16 shall be presumed not to qualify for free or reduced-price lunches for  
17 the purposes of the application.

18       Sec. 3. Section 79-8,137, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20       79-8,137 (1)(a) Prior to receiving any money from a loan pursuant to  
21 the Attracting Excellence to Teaching Program, an eligible student shall  
22 enter into a contract with the department. Such contract shall provide  
23 notice to the eligible student that funding for loans pursuant to the  
24 Attracting Excellence to Teaching Program terminates on June 30, 2016.  
25 Such contract shall be exempt from the requirements of sections 73-501 to  
26 73-510.

27       (b) For eligible students who applied for the first time prior to  
28 April 23, 2009, the contract shall require that if (i) the borrower is  
29 not employed as a teacher in Nebraska for a time period equal to the  
30 number of years required for loan forgiveness pursuant to subsection (2)  
31 of this section and is not enrolled as a full-time student in a graduate

1 program within six months after obtaining an undergraduate degree for  
2 which a loan from the program was obtained or (ii) the borrower does not  
3 complete the requirements for graduation within five consecutive years  
4 after receiving the initial loan under the program, then the loan must be  
5 repaid, with interest at the rate fixed pursuant to section 45-103  
6 accruing as of the date the borrower signed the contract, and an  
7 appropriate penalty as determined by the department may be assessed. If a  
8 borrower fails to remain enrolled at an eligible institution or otherwise  
9 fails to meet the requirements of an eligible student, repayment of the  
10 loan shall commence within six months after such change in eligibility.  
11 The State Board of Education may by rules and regulations provide for  
12 exceptions to the conditions of repayment pursuant to this subdivision  
13 based upon mitigating circumstances.

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

1 the conditions of repayment pursuant to this subdivision based upon  
2 mitigating circumstances.

3 (2) If the borrower applied for the first time prior to April 23,  
4 2009, and (a) successfully completes the teacher education program and  
5 becomes certified pursuant to sections 79-806 to 79-815, (b) becomes  
6 employed as a teacher in this state within six months of becoming  
7 certified, and (c) otherwise meets the requirements of the contract,  
8 payments shall be suspended for the number of years that the borrower is  
9 required to remain employed as a teacher in this state under the  
10 contract. For each year that the borrower teaches in Nebraska pursuant to  
11 the contract, payments shall be forgiven in an amount equal to the amount  
12 borrowed for one year, except that if the borrower teaches in a school  
13 district that is in a local system classified as very sparse as defined  
14 in section 79-1003 or teaches in a school district in which at least  
15 forty percent of the students are poverty students as defined in section  
16 79-1003, payments shall be forgiven each year in an amount equal to the  
17 amount borrowed for two years.

18 (3) If the borrower applies for the first time on or after April 23,  
19 2009, and (a) successfully completes the teacher education program and  
20 major for which the borrower is receiving a forgivable loan pursuant to  
21 the program and becomes certified pursuant to sections 79-806 to 79-815  
22 with an endorsement in the shortage area for which the loan was received,  
23 (b) becomes employed as a full-time teacher teaching at least a portion  
24 of the time in the shortage area for which the loan was received in an  
25 approved or accredited school in this state within six months of becoming  
26 certified, and (c) otherwise meets the requirements of the contract,  
27 payments shall be suspended for the number of years that the borrower is  
28 required to remain employed as a teacher in this state under the  
29 contract. Beginning after the first two years of teaching full-time in  
30 Nebraska following graduation for the degree for which the loan was  
31 received, for each year that the borrower teaches full-time in Nebraska

1 pursuant to the contract, the loan shall be forgiven in an amount equal  
2 to three thousand dollars, except that if the borrower teaches full-time  
3 in a school district that is in a local system classified as very sparse  
4 as defined in section 79-1003, teaches in a school building in which at  
5 least forty percent of the formula students are poverty students as  
6 defined in section 79-1003, teaches in a school building that provides  
7 free meals to all students pursuant to the Community Eligibility  
8 Provision, or teaches in an accredited or approved private school in  
9 Nebraska in which at least forty percent of the enrolled students  
10 qualified for free lunches as determined by the most recent data  
11 available from the department, payments shall be forgiven each year in an  
12 amount equal to six thousand dollars.

13 Sec. 4. Section 79-8,137.04, Reissue Revised Statutes of Nebraska,  
14 is amended to read:

15 79-8,137.04 (1) Prior to receiving any money from a loan pursuant to  
16 the Enhancing Excellence in Teaching Program, an eligible student shall  
17 enter into a contract with the department. Such contract shall provide  
18 notice to the eligible student that funding for loans pursuant to the  
19 Enhancing Excellence in Teaching Program terminates on June 30, 2016.  
20 Such contract shall be exempt from the requirements of sections 73-501 to  
21 73-510. The contract shall require that if (a) the borrower is not  
22 employed as a full-time teacher teaching in an approved or accredited  
23 school in Nebraska for a time period equal to the number of years  
24 required for loan forgiveness pursuant to subsection (2) of this section  
25 or (b) the borrower does not complete the requirements for graduation  
26 within five consecutive years after receiving the initial loan under the  
27 program, then the loan shall be repaid, with interest at the rate fixed  
28 pursuant to section 45-103 accruing as of the date the borrower signed  
29 the contract and actual collection costs as determined by the department.  
30 If a borrower fails to remain enrolled at an eligible institution or  
31 otherwise fails to meet the requirements of an eligible student,

1 repayment of the loan shall commence within six months after such change  
2 in eligibility. The State Board of Education may by rules and regulations  
3 provide for exceptions to the conditions of repayment pursuant to this  
4 subsection based upon mitigating circumstances.

5 (2) If the borrower (a) successfully completes the eligible graduate  
6 program and major for which the borrower is receiving a forgivable loan  
7 pursuant to the Enhancing Excellence in Teaching Program and maintains  
8 certification pursuant to sections 79-806 to 79-815, (b) maintains  
9 employment as a teacher in an approved or accredited school in this  
10 state, and (c) otherwise meets the requirements of the contract, payments  
11 shall be suspended for the number of years that the borrower is required  
12 to remain employed as a teacher in this state under the contract.  
13 Beginning after the first two years of teaching full-time in Nebraska  
14 following graduation for the degree for which the loan was received, for  
15 each year that the borrower teaches full-time in Nebraska pursuant to the  
16 contract, the loan shall be forgiven in an amount equal to three thousand  
17 dollars, except that if the borrower teaches full-time in a school  
18 district that is in a local system classified as very sparse as defined  
19 in section 79-1003, teaches in a school building in which at least forty  
20 percent of the students are poverty students as defined in section  
21 79-1003, teaches in a school building that provides free meals to all  
22 students pursuant to the Community Eligibility Provision, or teaches in  
23 an accredited or approved private school in Nebraska in which at least  
24 forty percent of the enrolled students qualified for free lunches as  
25 determined by the most recent data available from the department,  
26 payments shall be forgiven each year in an amount equal to six thousand  
27 dollars.

28 Sec. 5. Section 79-1003, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 79-1003 For purposes of the Tax Equity and Educational Opportunities  
31 Support Act:

1           (1) Adjusted general fund operating expenditures means (a) for  
2 school fiscal years 2013-14 through 2015-16, the difference of the  
3 general fund operating expenditures as calculated pursuant to subdivision  
4 (~~23~~ 22) of this section increased by the cost growth factor calculated  
5 pursuant to section 79-1007.10, minus the transportation allowance,  
6 special receipts allowance, poverty allowance, limited English  
7 proficiency allowance, distance education and telecommunications  
8 allowance, elementary site allowance, summer school allowance,  
9 instructional time allowance, teacher education allowance, and focus  
10 school and program allowance, and (b) for school fiscal year 2016-17 and  
11 each school fiscal year thereafter, the difference of the general fund  
12 operating expenditures as calculated pursuant to subdivision (~~23~~ 22) of  
13 this section increased by the cost growth factor calculated pursuant to  
14 section 79-1007.10, minus the transportation allowance, special receipts  
15 allowance, poverty allowance, limited English proficiency allowance,  
16 distance education and telecommunications allowance, elementary site  
17 allowance, summer school allowance, and focus school and program  
18 allowance;

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

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

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

6 (5) Base fiscal year means the first school fiscal year following  
7 the school fiscal year in which the reorganization or unification  
8 occurred;

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

10 (7) Categorical funds means funds limited to a specific purpose by  
11 federal or state law, including, but not limited to, Title I funds, Title  
12 VI funds, federal vocational education funds, federal school lunch funds,  
13 Indian education funds, Head Start funds, and funds from the Education  
14 Innovation Fund. Categorical funds does not include funds received  
15 pursuant to section 79-1028.02 or 79-1028.04;

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

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

27 (10) Converted contract option student means a student who will be  
28 an option student pursuant to the enrollment option program established  
29 in section 79-234 for the school fiscal year for which aid is being  
30 calculated and who would have been covered by a converted contract if the  
31 contract were still in effect and such school fiscal year is the first

1 school fiscal year for which such contract is not in effect;

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

3 (12) District means any Class I, II, III, IV, V, or VI school  
4 district and, beginning with the calculation of state aid for school  
5 fiscal year 2011-12 and each school fiscal year thereafter, a unified  
6 system as defined in section 79-4,108;

7 (13) Ensuing school fiscal year means the school fiscal year  
8 following the current school fiscal year;

9 (14) Equalization aid means the amount of assistance calculated to  
10 be paid to a local system pursuant to sections 79-1007.11 to 79-1007.23,  
11 79-1007.25, 79-1008.01 to 79-1022, 79-1022.02, 79-1028.02, and  
12 79-1028.04;

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

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

19 (17) Formula students means:

20 (a) For state aid certified pursuant to section 79-1022, the sum of  
21 the product of fall membership from the school fiscal year immediately  
22 preceding the school fiscal year in which the aid is to be paid  
23 multiplied by the average ratio of average daily membership to fall  
24 membership for the second school fiscal year immediately preceding the  
25 school fiscal year in which the aid is to be paid and the prior two  
26 school fiscal years plus sixty percent of the qualified early childhood  
27 education fall membership plus tuitioned students from the school fiscal  
28 year immediately preceding the school fiscal year in which aid is to be  
29 paid minus the product of the number of students enrolled in kindergarten  
30 that is not full-day kindergarten from the fall membership multiplied by  
31 0.5; and

1 (b) For the final calculation of state aid pursuant to section  
2 79-1065, the sum of average daily membership plus sixty percent of the  
3 qualified early childhood education average daily membership plus  
4 tuitioned students minus the product of the number of students enrolled  
5 in kindergarten that is not full-day kindergarten from the average daily  
6 membership multiplied by 0.5 from the school fiscal year immediately  
7 preceding the school fiscal year in which aid was paid;

8 (18) Free lunch and free milk calculated student means, for school  
9 fiscal year 2016-17 and each school fiscal year thereafter, using most  
10 recent data available on November 1 of the school fiscal year immediately  
11 preceding the school fiscal year in which aid is to be paid, (a) a  
12 student who qualified for free lunches or free milk and attended a school  
13 that uses information collected from parents and guardians pursuant to  
14 section 2 of this act to determine such qualifications pursuant to the  
15 federal Richard B. Russell National School Lunch Act, 42 U.S.C 1751 et  
16 seq., and the federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et  
17 seq., as such acts and sections existed on January 1, 2015, and rules and  
18 regulations adopted thereunder, plus (b) the product of the students who  
19 attend a school that provides free meals to all students pursuant to the  
20 Community Eligibility Provision multiplied by the identified student  
21 percentage calculated pursuant to such federal provision;

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

27 (20) Full-day kindergarten means kindergarten offered by a  
28 district for at least one thousand thirty-two instructional hours;

29 (21) General fund budget of expenditures means the total budget  
30 of disbursements and transfers for general fund purposes as certified in  
31 the budget statement adopted pursuant to the Nebraska Budget Act, except

1 that for purposes of the limitation imposed in section 79-1023 and the  
2 calculation pursuant to subdivision (2) of section 79-1027.01, the  
3 general fund budget of expenditures does not include any special grant  
4 funds, exclusive of local matching funds, received by a district;

5 (~~22~~ 21) General fund expenditures means all expenditures from the  
6 general fund;

7 (~~23~~ 22) General fund operating expenditures means for state aid  
8 calculated for school fiscal years 2012-13 and each school fiscal year  
9 thereafter, as reported on the annual financial report for the second  
10 school fiscal year immediately preceding the school fiscal year in which  
11 aid is to be paid, the total general fund expenditures minus (a) the  
12 amount of all receipts to the general fund, to the extent that such  
13 receipts are not included in local system formula resources, from early  
14 childhood education tuition, summer school tuition, educational entities  
15 as defined in section 79-1201.01 for providing distance education courses  
16 through the Educational Service Unit Coordinating Council to such  
17 educational entities, private foundations, individuals, associations,  
18 charitable organizations, the textbook loan program authorized by section  
19 79-734, federal impact aid, and levy override elections pursuant to  
20 section 77-3444, (b) the amount of expenditures for categorical funds,  
21 tuition paid, transportation fees paid to other districts, adult  
22 education, community services, redemption of the principal portion of  
23 general fund debt service, retirement incentive plans authorized by  
24 section 79-855, and staff development assistance authorized by section  
25 79-856, (c) the amount of any transfers from the general fund to any bond  
26 fund and transfers from other funds into the general fund, (d) any legal  
27 expenses in excess of fifteen-hundredths of one percent of the formula  
28 need for the school fiscal year in which the expenses occurred, (e)  
29 expenditures to pay for sums agreed to be paid by a school district to  
30 certificated employees in exchange for a voluntary termination occurring  
31 prior to July 1, 2009, occurring on or after the last day of the 2010-11

1 school year and prior to the first day of the 2013-14 school year, or, to  
2 the extent that a district has demonstrated to the State Board of  
3 Education pursuant to section 79-1028.01 that the agreement will result  
4 in a net savings in salary and benefit costs to the school district over  
5 a five-year period, occurring on or after the first day of the 2013-14  
6 school year, (f)(i) expenditures to pay for employer contributions  
7 pursuant to subsection (2) of section 79-958 to the School Employees  
8 Retirement System of the State of Nebraska to the extent that such  
9 expenditures exceed the employer contributions under such subsection that  
10 would have been made at a contribution rate of seven and thirty-five  
11 hundredths percent or (ii) expenditures to pay for school district  
12 contributions pursuant to subdivision (1)(c)(i) of section 79-9,113 to  
13 the retirement system established pursuant to the Class V School  
14 Employees Retirement Act to the extent that such expenditures exceed the  
15 school district contributions under such subdivision that would have been  
16 made at a contribution rate of seven and thirty-seven hundredths percent,  
17 and (g) any amounts paid by the district for lobbyist fees and expenses  
18 reported to the Clerk of the Legislature pursuant to section 49-1483.

19 For purposes of this subdivision (~~23~~ 22) of this section, receipts  
20 from levy override elections shall equal ninety-nine percent of the  
21 difference of the total general fund levy minus a levy of one dollar and  
22 five cents per one hundred dollars of taxable valuation multiplied by the  
23 assessed valuation for school districts that have voted pursuant to  
24 section 77-3444 to override the maximum levy provided pursuant to section  
25 77-3442;

26 (~~24~~ 23) High school district means a school district providing  
27 instruction in at least grades nine through twelve;

28 (~~25~~ 24) Income tax liability means the amount of the reported income  
29 tax liability for resident individuals pursuant to the Nebraska Revenue  
30 Act of 1967 less all nonrefundable credits earned and refunds made;

31 (~~26~~ 25) Income tax receipts means the amount of income tax collected

1 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable  
2 credits earned and refunds made;

3 (27 26) Limited English proficiency students means the number of  
4 students with limited English proficiency in a district from the most  
5 recent data available on November 1 of the school fiscal year preceding  
6 the school fiscal year in which aid is to be paid plus the difference of  
7 such students with limited English proficiency minus the average number  
8 of limited English proficiency students for such district, prior to such  
9 addition, for the three immediately preceding school fiscal years if such  
10 difference is greater than zero;

11 (28 27) Local system means a learning community for purposes of  
12 calculation of state aid for the second full school fiscal year after  
13 becoming a learning community and each school fiscal year thereafter, a  
14 unified system, a Class VI district and the associated Class I districts,  
15 or a Class II, III, IV, or V district and any affiliated Class I  
16 districts or portions of Class I districts. The membership, expenditures,  
17 and resources of Class I districts that are affiliated with multiple high  
18 school districts will be attributed to local systems based on the percent  
19 of the Class I valuation that is affiliated with each high school  
20 district;

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

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

11       (30 29) Low-income students means the number of low-income children  
12 within the district multiplied by the ratio of the formula students in  
13 the district divided by the total children under nineteen years of age  
14 residing in the district as derived from income tax information;

15       (31 30) Most recently available complete data year means the most  
16 recent single school fiscal year for which the annual financial report,  
17 fall school district membership report, annual statistical summary,  
18 Nebraska income tax liability by school district for the calendar year in  
19 which the majority of the school fiscal year falls, and adjusted  
20 valuation data are available;

21       (32 31) Poverty students (a) for school fiscal years prior to  
22 2016-17, means the number of low-income students or the number of  
23 students who are free lunch and free milk students in a district plus the  
24 difference of the number of low-income students or the number of students  
25 who are free lunch and free milk students in a district, whichever is  
26 greater, minus the average number of poverty students for such district,  
27 prior to such addition, for the three immediately preceding school fiscal  
28 years if such difference is greater than zero; and (b) for school fiscal  
29 year 2016-17 and each school fiscal year thereafter, the unadjusted  
30 poverty students plus the difference of such unadjusted poverty students  
31 minus the average number of poverty students for such district, prior to

1 such addition, for the three immediately preceding school fiscal years if  
2 such difference is greater than zero;

3 (33 32) Qualified early childhood education average daily membership  
4 means the product of the average daily membership for school fiscal year  
5 2006-07 and each school fiscal year thereafter of students who will be  
6 eligible to attend kindergarten the following school year and are  
7 enrolled in an early childhood education program approved by the  
8 department pursuant to section 79-1103 for such school district for such  
9 school year multiplied by the ratio of the actual instructional hours of  
10 the program divided by one thousand thirty-two if: (a) The program is  
11 receiving a grant pursuant to such section for the third year; (b) the  
12 program has already received grants pursuant to such section for three  
13 years; or (c) the program has been approved pursuant to subsection (5) of  
14 section 79-1103 for such school year and the two preceding school years,  
15 including any such students in portions of any of such programs receiving  
16 an expansion grant;

17 (34 33) Qualified early childhood education fall membership means  
18 the product of membership on the last Friday in September 2006 and each  
19 year thereafter of students who will be eligible to attend kindergarten  
20 the following school year and are enrolled in an early childhood  
21 education program approved by the department pursuant to section 79-1103  
22 for such school district for such school year multiplied by the ratio of  
23 the planned instructional hours of the program divided by one thousand  
24 thirty-two if: (a) The program is receiving a grant pursuant to such  
25 section for the third year; (b) the program has already received grants  
26 pursuant to such section for three years; or (c) the program has been  
27 approved pursuant to subsection (5) of section 79-1103 for such school  
28 year and the two preceding school years, including any such students in  
29 portions of any of such programs receiving an expansion grant;

30 (35 34) Regular route transportation means the transportation of  
31 students on regularly scheduled daily routes to and from the attendance

1 center;

2 (36 35) Reorganized district means any district involved in a  
3 consolidation and currently educating students following consolidation;

4 (37 36) School year or school fiscal year means the fiscal year of a  
5 school district as defined in section 79-1091;

6 (38 37) Sparse local system means a local system that is not a very  
7 sparse local system but which meets the following criteria:

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

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

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

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

24 (39 38) Special education means specially designed kindergarten  
25 through grade twelve instruction pursuant to section 79-1125, and  
26 includes special education transportation;

27 (40 39) Special grant funds means the budgeted receipts for grants,  
28 including, but not limited to, categorical funds, reimbursements for  
29 wards of the court, short-term borrowings including, but not limited to,  
30 registered warrants and tax anticipation notes, interfund loans,  
31 insurance settlements, and reimbursements to county government for

1 previous overpayment. The state board shall approve a listing of grants  
2 that qualify as special grant funds;

3 (~~41~~ 40) State aid means the amount of assistance paid to a district  
4 pursuant to the Tax Equity and Educational Opportunities Support Act;

5 (~~42~~ 41) State board means the State Board of Education;

6 (~~43~~ 42) State support means all funds provided to districts by the  
7 State of Nebraska for the general fund support of elementary and  
8 secondary education;

9 (~~44~~ 43) Statewide average basic funding per formula student means  
10 the statewide total basic funding for all districts divided by the  
11 statewide total formula students for all districts;

12 (~~45~~ 44) Statewide average general fund operating expenditures per  
13 formula student means the statewide total general fund operating  
14 expenditures for all districts divided by the statewide total formula  
15 students for all districts;

16 (~~46~~ 45) Teacher has the definition found in section 79-101;

17 (~~47~~ 46) Temporary aid adjustment factor means (a) for school fiscal  
18 years before school fiscal year 2007-08, one and one-fourth percent of  
19 the sum of the local system's transportation allowance, the local  
20 system's special receipts allowance, and the product of the local  
21 system's adjusted formula students multiplied by the average formula cost  
22 per student in the local system's cost grouping and (b) for school fiscal  
23 year 2007-08, one and one-fourth percent of the sum of the local system's  
24 transportation allowance, special receipts allowance, and distance  
25 education and telecommunications allowance and the product of the local  
26 system's adjusted formula students multiplied by the average formula cost  
27 per student in the local system's cost grouping;

28 (~~48~~ 47) Tuition receipts from converted contracts means tuition  
29 receipts received by a district from another district in the most  
30 recently available complete data year pursuant to a converted contract  
31 prior to the expiration of the contract;

1 (49 48) Tuitioned students means students in kindergarten through  
2 grade twelve of the district whose tuition is paid by the district to  
3 some other district or education agency; ~~and~~

4 (50) Unadjusted poverty students means, for school fiscal year  
5 2016-17 and each school fiscal year thereafter, the greater of the number  
6 of low-income students or the free lunch and free milk calculated  
7 students in a district; and

8 (51 49) Very sparse local system means a local system that has:

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

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

20 Sec. 6. Section 79-1003.01, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 79-1003.01 (1) The department shall calculate a summer school  
23 allowance for each district which submits the information required for  
24 the calculation on a form prescribed by the department on or before  
25 October 15 of the school fiscal year preceding the school fiscal year for  
26 which aid is being calculated. For aid calculated for school fiscal years  
27 through school fiscal year 2013-14, the summer school allowance shall be  
28 equal to two and one-half percent of the summer school student units for  
29 such district multiplied by eighty-five percent of the statewide average  
30 general fund operating expenditures per formula student. For aid  
31 calculated for school fiscal year 2014-15 and each school fiscal year

1 thereafter, the summer school allowance shall be equal to the lesser of  
2 two and one-half percent of the product of the summer school student  
3 units for such district multiplied by eighty-five percent of the  
4 statewide average general fund operating expenditures per formula student  
5 or the summer school and early childhood summer school expenditures that  
6 are paid for with noncategorical funds generated by state or local taxes  
7 as reported on the annual financial report for the most recently  
8 available data year and that are not included in other allowances.

9 (2) Summer school student units shall be calculated for each student  
10 enrolled in summer school as defined in section 79-536 in a school  
11 district who attends such summer school for at least twelve days in the  
12 most recently available complete data year, whether or not the student is  
13 in the membership of the school district. The initial number of units for  
14 each such student shall equal the sum of the ratios, each rounded down to  
15 the nearest whole number, of the number of days for which the student  
16 attended summer school classes in such district for at least three hours  
17 and less than six hours per day divided by twelve days and of two times  
18 the number of days for which the student attended summer school classes  
19 in such district for six or more hours per day divided by twelve days.

20 (3) Each school district shall receive an additional summer school  
21 student unit for each summer school student unit attributed to remedial  
22 math or reading programs. Each school district shall also receive an  
23 additional summer school student unit for each summer school student unit  
24 attributed to a ~~free lunch and free milk~~ student who in the school year  
25 immediately preceding summer school either (a) qualified for free lunches  
26 or free milk and attended a school that uses information collected from  
27 parents and guardians to determine such qualifications or (b) attended a  
28 school that provides free meals to all students pursuant to the Community  
29 Eligibility Provision.

30 (4) Beginning with state aid calculated for school fiscal year  
31 2012-13, summer school student units shall be calculated for each student

1 who was both enrolled in the most recently available complete data year  
2 in a summer session of an early childhood education program for which a  
3 qualified early childhood education fall membership greater than zero has  
4 been calculated for the school fiscal year for which aid is being  
5 calculated and eligible to attend kindergarten in the fall immediately  
6 following such summer session. The initial number of units for each such  
7 early childhood education student shall equal the sum of the ratios, each  
8 rounded down to the nearest whole number, of the number of days for which  
9 the student attended the summer session in such district for at least  
10 three hours and less than six hours per day divided by twelve days and of  
11 two times the number of days for which the student attended the summer  
12 session in such district for six or more hours per day divided by twelve  
13 days. The initial summer school student units for early childhood  
14 education students shall be multiplied by six-tenths. Instructional hours  
15 included in the calculation of the qualified early childhood education  
16 fall membership or the qualified early childhood education average daily  
17 membership shall not be included in the calculation of the summer school  
18 allowance.

19 (5) Each school district shall receive an additional six-tenths of a  
20 summer school student unit for each early childhood education student  
21 unit attributed to an a free lunch and free milk early childhood  
22 education student who is either qualified for free lunches or free milk  
23 based on information collected from parents and guardians to determine  
24 such qualifications or is registered to attend a school in the school  
25 year immediately following such summer that provides free meals to all  
26 students pursuant to the Community Eligibility Provision.

27 (6) This section does not prevent school districts from requiring  
28 and collecting fees for summer school or summer sessions of early  
29 childhood education programs, except that summer school student units  
30 shall not be calculated for school districts which collect fees for  
31 summer school from students who qualify for free or reduced-price lunches

1 under United States Department of Agriculture child nutrition programs or  
2 who attended, or are registered to attend, a school in the school year  
3 immediately following such summer that provides free meals to all  
4 students pursuant to the Community Eligibility Provision.

5 Sec. 7. 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, regardless of the  
28 method of qualification, who reside more than one mile from the  
29 attendance center;

30 (b) Student mobility, including transportation to allow a student to  
31 continue attendance at the same school if the student moves to another

1 attendance area within the same school district or within the same  
2 learning community;

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

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

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

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

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

15 (h) Student access to social workers;

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

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

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

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

24 (m) An evaluation to determine the effectiveness of the elements of  
25 the poverty plan.

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

29 Sec. 8. Section 79-2110, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 79-2110 (1)(a) Each diversity plan shall provide for open enrollment

1 in all school buildings in the learning community, subject to specific  
2 limitations necessary to bring about diverse enrollments in each school  
3 building in the learning community. Such limitations, for school  
4 buildings other than focus schools and programs other than focus  
5 programs, shall include giving preference at each school building first  
6 to siblings of students who will be enrolled as continuing students in  
7 such school building or program for the first school year for which  
8 enrollment is sought in such school building and then to students that  
9 contribute to the socioeconomic diversity of enrollment at each building  
10 and may include establishing zone limitations in which students may  
11 access several schools other than their home attendance area school.  
12 Notwithstanding the limitations necessary to bring about diversity, open  
13 enrollment shall include providing access to students who do not  
14 contribute to the socioeconomic diversity of a school building, if,  
15 subsequent to the open enrollment selection process that is subject to  
16 limitations necessary to bring about diverse enrollments, capacity  
17 remains in a school building. In such a case, students who have applied  
18 to attend such school building shall be selected to attend such school  
19 building on a random basis up to the remaining capacity of such building.  
20 A student who has otherwise been disqualified from the school building  
21 pursuant to the school district's code of conduct or related school  
22 discipline rules shall not be eligible for open enrollment pursuant to  
23 this section. Any student who attended a particular school building in  
24 the prior school year and who is seeking education in the grades offered  
25 in such school building shall be allowed to continue attending such  
26 school building as a continuing student.

27 (b) To facilitate the open enrollment provisions of this subsection,  
28 each school year each member school district in a learning community  
29 shall establish a maximum capacity for each school building under such  
30 district's control pursuant to procedures and criteria established by the  
31 learning community coordinating council. Each member school district

1 shall also establish attendance areas for each school building under the  
2 district's control, except that the school board shall not establish  
3 attendance areas for focus schools or focus programs. The attendance  
4 areas shall be established such that all of the territory of the school  
5 district is within an attendance area for each grade. Students residing  
6 in a school district shall be allowed to attend a school building in such  
7 school district.

8 (c) For purposes of this section and sections 79-238 and 79-611,  
9 student who contributes to the socioeconomic diversity of enrollment  
10 means (i) a student who does not qualify for free or reduced-price  
11 lunches when, based upon the certification pursuant to section 79-2120,  
12 the school building the student will attend either has more students  
13 qualifying for free or reduced-price lunches than the average percentage  
14 of such students in all school buildings in the learning community or  
15 provides free meals to all students pursuant to the Community Eligibility  
16 Provision or (ii) a student who qualifies for free or reduced-price  
17 lunches based on information collected from parents and guardians when,  
18 based upon the certification pursuant to section 79-2120, the school  
19 building the student will attend has fewer students qualifying for free  
20 or reduced-price lunches than the average percentage of such students in  
21 all school buildings in the learning community and does not provide free  
22 meals to all students pursuant to the Community Eligibility Provision.

23 (2)(a) On or before March 15 of each year beginning with the year  
24 immediately following the year in which the initial coordinating council  
25 for the learning community takes office, a parent or guardian of a  
26 student residing in a member school district in a learning community may  
27 submit an application to any school district in the learning community on  
28 behalf of a student who is applying to attend a school building for the  
29 following school year that is not in an attendance area where the  
30 applicant resides or a focus school, focus program, or magnet school as  
31 such terms are defined in section 79-769. On or before April 1 of each

1 year beginning with the year immediately following the year in which the  
2 initial coordinating council for the learning community takes office, the  
3 school district shall accept or reject such applications based on the  
4 capacity of the school building, the eligibility of the applicant for the  
5 school building or program, the number of such applicants that will be  
6 accepted for a given school building, and whether or not the applicant  
7 contributes to the socioeconomic diversity of the school or program to  
8 which he or she has applied and for which he or she is eligible. The  
9 school district shall notify such parent or guardian in writing of the  
10 acceptance or rejection.

11 (b) A parent or guardian may provide information on the application  
12 regarding the applicant's potential qualification for free or reduced-  
13 price lunches. Any such information provided shall be subject to  
14 verification and shall only be used for the purposes of this section.  
15 Nothing in this section requires a parent or guardian to provide such  
16 information. Determinations about an applicant's qualification for free  
17 or reduced-price lunches for purposes of this section shall be based on  
18 any verified information provided on the application. If no such  
19 information is provided the student shall be presumed not to qualify for  
20 free or reduced-price lunches for the purposes of this section.

21 (c) A student may not apply to attend a school building in the  
22 learning community for any grades that are offered by another school  
23 building for which the student had previously applied and been accepted  
24 pursuant to this section, absent a hardship exception as established by  
25 the individual school district. On or before September 1 of each year  
26 beginning with the year immediately following the year in which the  
27 initial coordinating council for the learning community takes office,  
28 each school district shall provide to the learning community coordinating  
29 council a complete and accurate report of all applications received,  
30 including the number of students who applied at each grade level at each  
31 building, the number of students accepted at each grade level at each

1 building, the number of such students that contributed to the  
2 socioeconomic diversity that applied and were accepted, the number of  
3 applicants denied and the rationales for denial, and other such  
4 information as requested by the learning community coordinating council.

5 (3) Each diversity plan may also include establishment of one or  
6 more focus schools or focus programs and the involvement of every member  
7 school district in one or more pathways across member school districts.  
8 Enrollment in each focus school or focus program shall be designed to  
9 reflect the socioeconomic diversity of the learning community as a whole.  
10 School district selection of students for focus schools or focus programs  
11 shall be on a random basis from two pools of applicants, those who  
12 qualify for free and reduced-price lunches and those who do not qualify  
13 for free and reduced-price lunches. The percentage of students selected  
14 for focus schools from the pool of applicants who qualify for free and  
15 reduced-price lunches shall be as nearly equal as possible to the  
16 percentage of the student body of the learning community who qualify for  
17 free and reduced-price lunches. The percentage of students selected for  
18 focus schools from the pool of applicants who do not qualify for free and  
19 reduced-price lunches shall be as nearly equal as possible to the  
20 percentage of the student body of the learning community who do not  
21 qualify for free and reduced-price lunches. If more capacity exists in a  
22 focus school or program than the number of applicants for such focus  
23 school or program that contribute to the socioeconomic diversity of the  
24 focus school or program, the school district shall randomly select  
25 applicants up to the number of applicants that will be accepted for such  
26 building. A student who will complete the grades offered at a focus  
27 program, focus school, or magnet school that is part of a pathway shall  
28 be allowed to attend the focus program, focus school, or magnet school  
29 offering the next grade level as part of the pathway as a continuing  
30 student. A student who completes the grades offered at a focus program,  
31 focus school, or magnet school shall be allowed to attend a school

1 offering the next grade level in the school district responsible for the  
2 focus program, focus school, or magnet school as a continuing student. A  
3 student who attended a program or school in the school year immediately  
4 preceding the first school year for which the program or school will  
5 operate as a focus program or focus school approved by the learning  
6 community and meeting the requirements of section 79-769 and who has not  
7 completed the grades offered at the focus program or focus school shall  
8 be a continuing student in the program or school.

9 (4) On or before February 15 of each year beginning with the year  
10 immediately following the year in which the initial coordinating council  
11 for the learning community takes office, a parent or guardian of a  
12 student who is currently attending a school building or program, except a  
13 magnet school, focus school, or focus program, outside of the attendance  
14 area where the student resides and who will complete the grades offered  
15 at such school building prior to the following school year shall provide  
16 notice, on a form provided by the school district, to the school board of  
17 the school district containing such school building if such student will  
18 attend another school building within such district as a continuing  
19 student and which school building such student would prefer to attend. On  
20 or before March 1, such school board shall provide a notice to such  
21 parent or guardian stating which school building or buildings the student  
22 shall be allowed to attend in such school district as a continuing  
23 student for the following school year. If the student resides within the  
24 school district, the notice shall include the school building offering  
25 the grade the student will be entering for the following school year in  
26 the attendance area where the student resides. This subsection shall not  
27 apply to focus schools or programs.

28 (5) A parent or guardian of a student who moves to a new residence  
29 in the learning community after April 1 may apply directly to a school  
30 board within the learning community within ninety days after moving for  
31 the student to attend a school building outside of the attendance area

1 where the student resides. Such school board shall accept or reject such  
2 application within fifteen days after receiving the application, based on  
3 the number of applications and qualifications pursuant to subsection (2)  
4 or (3) of this section for all other students.

5 (6) A parent or guardian of a student who wishes to change school  
6 buildings for emergency or hardship reasons may apply directly to a  
7 school board within the learning community at any time for the student to  
8 attend a school building outside of the attendance area where the student  
9 resides. Such application shall state the emergency or hardship and shall  
10 be kept confidential by the school board. Such school board shall accept  
11 or reject such application within fifteen days after receiving the  
12 application. Applications shall only be accepted if an emergency or  
13 hardship was presented which justifies an exemption from the procedures  
14 in subsection (4) of this section based on the judgment of such school  
15 board, and such acceptance shall not exceed the number of applications  
16 that will be accepted for the school year pursuant to subsection (2) or  
17 (3) of this section for such building.

18 Sec. 9. Section 79-2113, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 79-2113 (1) On or before the second June 1 immediately following the  
21 establishment of a new learning community, the learning community  
22 coordinating council shall establish at least one elementary learning  
23 center for each twenty-five elementary schools in which either at least  
24 thirty-five percent of the students attending the school who reside in  
25 the attendance area of such school qualify for free or reduced-price  
26 lunches or free meals are provided to all students pursuant to the  
27 Community Eligibility Provision. The council shall determine how many of  
28 the initial elementary learning centers shall be located in each  
29 subcouncil district on or before September 1 immediately following the  
30 establishment of a new learning community.

31 (2) Each achievement subcouncil shall submit a plan to the learning

1 community coordinating council for any elementary learning center in its  
2 subcouncil district and the services to be provided by such elementary  
3 learning center. In developing the plan, the achievement subcouncil shall  
4 seek input from community resources and collaborate with such resources  
5 in order to maximize the available opportunities and the participation of  
6 elementary students and their families. An achievement subcouncil may, as  
7 part of such plan, recommend services be provided through contracts with,  
8 or grants to, entities other than school districts to provide some or all  
9 of the services. Such entities may include collaborative groups which may  
10 include the participation of a school district. An achievement subcouncil  
11 may also, as part of such plan, recommend that the elementary learning  
12 center serve as a clearinghouse for recommending programs provided by  
13 school districts or other entities and that the elementary learning  
14 center assist students in accessing such programs. The plans for the  
15 initial elementary learning centers shall be submitted by the achievement  
16 subcouncils to the coordinating council on or before January 1  
17 immediately following the establishment of a new learning community.

18 (3) Each elementary learning center shall have at least one facility  
19 that is located in an area with a high concentration of poverty. Such  
20 facility may be owned or leased by the learning community, or the use of  
21 the facility may be donated to the learning community. Programs offered  
22 by the elementary learning center may be offered in such facility or in  
23 other facilities, including school buildings.

24 Sec. 10. Section 79-2115, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 79-2115 (1) Learning community funds distributed pursuant to section  
27 79-2103 may be used by the learning community coordinating council  
28 receiving the funds for:

- 29 (a) The administration and operation of the learning community;
- 30 (b) The administration, operations, and programs of elementary  
31 learning centers pursuant to sections 79-2112 to 79-2114;

1 (c) Supplements for extended hours to teachers in elementary schools  
2 in which at least thirty-five percent of the students attending the  
3 school who reside in the attendance area of such school qualify for free  
4 or reduced-price lunches and elementary schools that provide free meals  
5 to all students pursuant to the Community Eligibility Provision;

6 (d) Transportation to elementary school functions for parents of  
7 elementary students who qualify for free or reduced-price lunches or who  
8 attend an elementary school that provides free meals to all students  
9 pursuant to the Community Eligibility Provision ~~to school functions of~~  
10 ~~such students in elementary schools;~~

11 (e) Up to six social workers to provide services through the  
12 elementary learning centers; and

13 (f) Pilot projects authorized pursuant to section 79-2104.

14 (2) Each learning community coordinating council shall adopt  
15 policies and procedures for granting supplements for extended hours and  
16 for providing transportation for parents if any such funds are to be used  
17 for such purposes. An example of a pilot project that could receive such  
18 funds would be a school designated as Jump Start Center focused on  
19 providing intensive literacy services for elementary students with low  
20 reading scores.

21 (3) Each learning community coordinating council shall provide for  
22 financial audits of elementary learning centers and pilot projects. A  
23 learning community coordinating council shall serve as the recipient of  
24 private funds donated to support any elementary learning center or pilot  
25 project receiving funds from such learning community coordinating council  
26 and shall assure that the use of such private funds is included in the  
27 financial audits required pursuant to this section.

28 Sec. 11. Section 79-2120, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 79-2120 On or before March 1, 2009, and February 1 of each year  
31 thereafter, for purposes of subsection (3) of section 79-238 and sections

1 79-611 and 79-2110, the State Department of Education shall certify to  
2 each learning community and each member school district the average  
3 percentage of students qualifying for free or reduced-price lunches in  
4 each school building in each member school district and in the aggregate  
5 for all school buildings in the learning community based on the most  
6 current information available to the department on the immediately  
7 preceding January 1. For purposes of this section, the average percentage  
8 of students qualifying for free or reduced-price lunches in school  
9 buildings that provide free meals to all students pursuant to the  
10 Community Eligibility Provision shall equal the identified student  
11 percentage calculated pursuant to such federal provision. The State Board  
12 of Education may adopt and promulgate rules and regulations to carry out  
13 this section.

14 Sec. 12. Original sections 79-101, 79-8,137, 79-8,137.04, 79-1003,  
15 79-1003.01, 79-1013, 79-2110, 79-2113, 79-2115, and 79-2120, Reissue  
16 Revised Statutes of Nebraska, are repealed.