

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 967

Introduced by Kintner, 2; Garrett, 3; Murante, 49.

Read first time January 14, 2016

Committee:

1 A BILL FOR AN ACT relating to schools; to amend sections 79-233, 79-237,
2 79-238, 79-413, 79-473, 79-528, 79-611, 79-1007.18, 79-1008.02,
3 79-1036, 79-1041, 79-10,120, 79-10,126, 79-2104, 79-2104.01,
4 79-2104.03, 79-2107, 79-2111, and 79-2404, Reissue Revised Statutes
5 of Nebraska, and sections 70-651.04 and 77-1736.06, Revised Statutes
6 Cumulative Supplement, 2014, and sections 77-3442, 79-215, and
7 79-2110, Revised Statutes Supplement, 2015; to change provisions
8 relating to the option enrollment program; to change and eliminate
9 certain levy authority and open enrollment provisions relating to
10 learning communities; to harmonize provisions; to provide operative
11 dates; to repeal the original sections; and to outright repeal
12 sections 79-1073, 79-1073.01, 79-10,126.01, and 79-2110.01, Reissue
13 Revised Statutes of Nebraska.
14 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 70-651.04, Revised Statutes Cumulative
2 Supplement, 2014, is amended to read:

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

13 Sec. 2. Section 77-1736.06, Revised Statutes Cumulative Supplement,
14 2014, is amended to read:

15 77-1736.06 The following procedure shall apply when making a
16 property tax refund:

17 (1) Within thirty days of the entry of a final nonappealable order,
18 an unprotested determination of a county assessor, an unappealed decision
19 of a county board of equalization, or other final action requiring a
20 refund of real or personal property taxes paid or, for property valued by
21 the state, within thirty days of a recertification of value by the
22 Property Tax Administrator pursuant to section 77-1775 or 77-1775.01, the
23 county assessor shall determine the amount of refund due the person
24 entitled to the refund, certify that amount to the county treasurer, and
25 send a copy of such certification to the person entitled to the refund.
26 Within thirty days from the date the county assessor certifies the amount
27 of the refund, the county treasurer shall notify each political
28 subdivision, including any ~~school district receiving a distribution~~
29 ~~pursuant to section 79-1073 or 79-1073.01 and any land bank receiving~~
30 real property taxes pursuant to subdivision (3)(a) of section 19-5211, of
31 its respective share of the refund, except that for any political

1 subdivision whose share of the refund is two hundred dollars or less, the
2 county board may waive this notice requirement. Notification shall be by
3 first-class mail, postage prepaid, to the last-known address of record of
4 the political subdivision. The county treasurer shall pay the refund from
5 funds in his or her possession belonging to any political subdivision,
6 including any school district receiving a distribution pursuant to
7 ~~section 79-1073 or 79-1073.01~~ and any land bank receiving real property
8 taxes pursuant to subdivision (3)(a) of section 19-5211, which received
9 any part of the tax or penalty being refunded. If sufficient funds are
10 not available or the political subdivision, within thirty days of the
11 mailing of the notice by the county treasurer if applicable, certifies to
12 the county treasurer that a hardship would result and create a serious
13 interference with its governmental functions if the refund of the tax or
14 penalty is paid, the county treasurer shall register the refund or
15 portion thereof which remains unpaid as a claim against such political
16 subdivision and shall issue the person entitled to the refund a receipt
17 for the registration of the claim. The certification by a political
18 subdivision declaring a hardship shall be binding upon the county
19 treasurer;

20 (2) The refund of a tax or penalty or the receipt for the
21 registration of a claim made or issued pursuant to this section shall be
22 satisfied in full as soon as practicable and in no event later than five
23 years from the date the final order or other action approving a refund is
24 entered. The governing body of the political subdivision shall make
25 provisions in its budget for the amount of any refund or claim to be
26 satisfied pursuant to this section. If a receipt for the registration of
27 a claim is given:

28 (a) Such receipt shall be applied to satisfy any tax levied or
29 assessed by that political subdivision next falling due from the person
30 holding the receipt after the sixth next succeeding levy is made on
31 behalf of the political subdivision following the final order or other

1 action approving the refund; and

2 (b) To the extent the amount of such receipt exceeds the amount of
3 such tax liability, the unsatisfied balance of the receipt shall be paid
4 and satisfied within the five-year period prescribed in this subdivision
5 from a combination of a credit against taxes anticipated to be due to the
6 political subdivision during such period and cash payment from any funds
7 expected to accrue to the political subdivision pursuant to a written
8 plan to be filed by the political subdivision with the county treasurer
9 no later than thirty days after the claim against the political
10 subdivision is first reduced by operation of a credit against taxes due
11 to such political subdivision.

12 If a political subdivision fails to fully satisfy the refund or
13 claim prior to the sixth next succeeding levy following the entry of a
14 final nonappealable order or other action approving a refund, interest
15 shall accrue on the unpaid balance commencing on the sixth next
16 succeeding levy following such entry or action at the rate set forth in
17 section 45-103;

18 (3) The county treasurer shall mail the refund or the receipt by
19 first-class mail, postage prepaid, to the last-known address of the
20 person entitled thereto. Multiple refunds to the same person may be
21 combined into one refund or credit. If a refund is not claimed by June 1
22 of the year following the year of mailing, the refund shall be canceled
23 and the resultant amount credited to the various funds originally
24 charged;

25 (4) When the refund involves property valued by the state, the Tax
26 Commissioner shall be authorized to negotiate a settlement of the amount
27 of the refund or claim due pursuant to this section on behalf of the
28 political subdivision from which such refund or claim is due. Any
29 political subdivision which does not agree with the settlement terms as
30 negotiated may reject such terms, and the refund or claim due from the
31 political subdivision then shall be satisfied as set forth in this

1 section as if no such negotiation had occurred;

2 (5) In the event that the Legislature appropriates state funds to be
3 disbursed for the purposes of satisfying all or any portion of any refund
4 or claim, the Tax Commissioner shall order the county treasurer to
5 disburse such refund amounts directly to the persons entitled to the
6 refund in partial or total satisfaction of such persons' claims. The
7 county treasurer shall disburse such amounts within forty-five days after
8 receipt thereof; and

9 (6) If all or any portion of the refund is reduced by way of
10 settlement or forgiveness by the person entitled to the refund, the
11 proportionate amount of the refund that was paid by an appropriation of
12 state funds shall be reimbursed by the county treasurer to the State
13 Treasurer within forty-five days after receipt of the settlement
14 agreement or receipt of the forgiven refund. The amount so reimbursed
15 shall be credited to the General Fund.

16 Sec. 3. Section 77-3442, Revised Statutes Supplement, 2015, is
17 amended to read:

18 77-3442 (1) Property tax levies for the support of local governments
19 for fiscal years beginning on or after July 1, 1998, shall be limited to
20 the amounts set forth in this section except as provided in section
21 77-3444.

22 (2)(a) Except as provided in subdivision ~~(2)(c)~~ ~~(2)(e)~~ of this
23 section, school districts and multiple-district school systems, ~~except~~
24 ~~learning communities and school districts that are members of learning~~
25 ~~communities,~~ may levy a maximum levy of one dollar and five cents per one
26 hundred dollars of taxable valuation of property subject to the levy.

27 ~~(b) For each fiscal year, learning communities may levy a maximum~~
28 ~~levy for the general fund budgets of member school districts of ninety-~~
29 ~~five cents per one hundred dollars of taxable valuation of property~~
30 ~~subject to the levy. The proceeds from the levy pursuant to this~~
31 ~~subdivision shall be distributed pursuant to section 79-1073.~~

1 ~~(c) Except as provided in subdivision (2)(e) of this section, for~~
2 ~~each fiscal year, school districts that are members of learning~~
3 ~~communities may levy for purposes of such districts' general fund budget~~
4 ~~and special building funds a maximum combined levy of the difference of~~
5 ~~one dollar and five cents on each one hundred dollars of taxable property~~
6 ~~subject to the levy minus the learning community levies pursuant to~~
7 ~~subdivisions (2)(b) and (2)(g) of this section for such learning~~
8 ~~community.~~

9 **(b d)** Excluded from the limitations in subdivision ~~subdivisions~~ (2)
10 (a) ~~and (2)(e)~~ of this section are amounts levied to pay for sums agreed
11 to be paid by a school district to certificated employees in exchange for
12 a voluntary termination of employment and amounts levied to pay for
13 special building funds and sinking funds established for projects
14 commenced prior to April 1, 1996, for construction, expansion, or
15 alteration of school district buildings. For purposes of this subsection,
16 commenced means any action taken by the school board on the record which
17 commits the board to expend district funds in planning, constructing, or
18 carrying out the project.

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

27 ~~(f) For school fiscal year 2002-03 through school fiscal year~~
28 ~~2007-08, school districts and multiple-district school systems may, upon~~
29 ~~a three-fourths majority vote of the school board of the school district,~~
30 ~~the board of the unified system, or the school board of the high school~~
31 ~~district of the multiple-district school system that is not a unified~~

1 ~~system, exceed the maximum levy prescribed by subdivision (2)(a) of this~~
2 ~~section in an amount equal to the net difference between the amount of~~
3 ~~state aid that would have been provided under the Tax Equity and~~
4 ~~Educational Opportunities Support Act without the temporary aid~~
5 ~~adjustment factor as defined in section 79-1003 for the ensuing school~~
6 ~~fiscal year for the school district or multiple-district school system~~
7 ~~and the amount provided with the temporary aid adjustment factor. The~~
8 ~~State Department of Education shall certify to the school districts and~~
9 ~~multiple-district school systems the amount by which the maximum levy may~~
10 ~~be exceeded for the next school fiscal year pursuant to this subdivision~~
11 ~~(f) of this subsection on or before February 15 for school fiscal years~~
12 ~~2004-05 through 2007-08.~~

13 ~~(g) For each fiscal year, learning communities may levy a maximum~~
14 ~~levy of two cents on each one hundred dollars of taxable property subject~~
15 ~~to the levy for special building funds for member school districts. The~~
16 ~~proceeds from the levy pursuant to this subdivision shall be distributed~~
17 ~~pursuant to section 79-1073.01.~~

18 ~~(d h) For each fiscal year, learning communities may levy a maximum~~
19 ~~levy of one-half cent on each one hundred dollars of taxable property~~
20 ~~subject to the levy for elementary learning center facility leases, for~~
21 ~~remodeling of leased elementary learning center facilities, and for up to~~
22 ~~fifty percent of the estimated cost for focus school or program capital~~
23 ~~projects approved by the learning community coordinating council pursuant~~
24 ~~to section 79-2111.~~

25 ~~(e i) For each fiscal year, learning communities may levy a maximum~~
26 ~~levy of one and one-half cents on each one hundred dollars of taxable~~
27 ~~property subject to the levy for early childhood education programs for~~
28 ~~children in poverty, for elementary learning center employees, for~~
29 ~~contracts with other entities or individuals who are not employees of the~~
30 ~~learning community for elementary learning center programs and services,~~
31 ~~and for pilot projects, except that no more than ten percent of such levy~~

1 may be used for elementary learning center employees.

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

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

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

19 (b) Natural resources districts shall also have the power and
20 authority to levy a tax equal to the dollar amount by which their
21 restricted funds budgeted to administer and implement ground water
22 management activities and integrated management activities under the
23 Nebraska Ground Water Management and Protection Act exceed their
24 restricted funds budgeted to administer and implement ground water
25 management activities and integrated management activities for FY2003-04,
26 not to exceed one cent on each one hundred dollars of taxable valuation
27 annually on all of the taxable property within the district.

28 (c) In addition, natural resources districts located in a river
29 basin, subbasin, or reach that has been determined to be fully
30 appropriated pursuant to section 46-714 or designated as overappropriated
31 pursuant to section 46-713 by the Department of Natural Resources shall

1 also have the power and authority to levy a tax equal to the dollar
2 amount by which their restricted funds budgeted to administer and
3 implement ground water management activities and integrated management
4 activities under the Nebraska Ground Water Management and Protection Act
5 exceed their restricted funds budgeted to administer and implement ground
6 water management activities and integrated management activities for
7 FY2005-06, not to exceed three cents on each one hundred dollars of
8 taxable valuation on all of the taxable property within the district for
9 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
10 2017-18.

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

15 (6)(a) Incorporated cities and villages which are not within the
16 boundaries of a municipal county may levy a maximum levy of forty-five
17 cents per one hundred dollars of taxable valuation of property subject to
18 the levy plus an additional five cents per one hundred dollars of taxable
19 valuation to provide financing for the municipality's share of revenue
20 required under an agreement or agreements executed pursuant to the
21 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
22 levy shall include amounts levied to pay for sums to support a library
23 pursuant to section 51-201, museum pursuant to section 51-501, visiting
24 community nurse, home health nurse, or home health agency pursuant to
25 section 71-1637, or statue, memorial, or monument pursuant to section
26 80-202.

27 (b) Incorporated cities and villages which are within the boundaries
28 of a municipal county may levy a maximum levy of ninety cents per one
29 hundred dollars of taxable valuation of property subject to the levy. The
30 maximum levy shall include amounts paid to a municipal county for county
31 services, amounts levied to pay for sums to support a library pursuant to

1 section 51-201, a museum pursuant to section 51-501, a visiting community
2 nurse, home health nurse, or home health agency pursuant to section
3 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

4 (7) Sanitary and improvement districts which have been in existence
5 for more than five years may levy a maximum levy of forty cents per one
6 hundred dollars of taxable valuation of property subject to the levy, and
7 sanitary and improvement districts which have been in existence for five
8 years or less shall not have a maximum levy. Unconsolidated sanitary and
9 improvement districts which have been in existence for more than five
10 years and are located in a municipal county may levy a maximum of eighty-
11 five cents per hundred dollars of taxable valuation of property subject
12 to the levy.

13 (8) Counties may levy or authorize a maximum levy of fifty cents per
14 one hundred dollars of taxable valuation of property subject to the levy,
15 except that five cents per one hundred dollars of taxable valuation of
16 property subject to the levy may only be levied to provide financing for
17 the county's share of revenue required under an agreement or agreements
18 executed pursuant to the Interlocal Cooperation Act or the Joint Public
19 Agency Act. The maximum levy shall include amounts levied to pay for sums
20 to support a library pursuant to section 51-201 or museum pursuant to
21 section 51-501. The county may allocate up to fifteen cents of its
22 authority to other political subdivisions subject to allocation of
23 property tax authority under subsection (1) of section 77-3443 and not
24 specifically covered in this section to levy taxes as authorized by law
25 which do not collectively exceed fifteen cents per one hundred dollars of
26 taxable valuation on any parcel or item of taxable property. The county
27 may allocate to one or more other political subdivisions subject to
28 allocation of property tax authority by the county under subsection (1)
29 of section 77-3443 some or all of the county's five cents per one hundred
30 dollars of valuation authorized for support of an agreement or agreements
31 to be levied by the political subdivision for the purpose of supporting

1 that political subdivision's share of revenue required under an agreement
2 or agreements executed pursuant to the Interlocal Cooperation Act or the
3 Joint Public Agency Act. If an allocation by a county would cause another
4 county to exceed its levy authority under this section, the second county
5 may exceed the levy authority in order to levy the amount allocated.

6 (9) Municipal counties may levy or authorize a maximum levy of one
7 dollar per one hundred dollars of taxable valuation of property subject
8 to the levy. The municipal county may allocate levy authority to any
9 political subdivision or entity subject to allocation under section
10 77-3443.

11 (10) Rural and suburban fire protection districts may levy a maximum
12 levy of ten and one-half cents per one hundred dollars of taxable
13 valuation of property subject to the levy if (a) such district is located
14 in a county that had a levy pursuant to subsection (8) of this section in
15 the previous year of at least forty cents per one hundred dollars of
16 taxable valuation of property subject to the levy or (b) for any rural or
17 suburban fire protection district that had a levy request pursuant to
18 section 77-3443 in the previous year, the county board of the county in
19 which the greatest portion of the valuation of such district is located
20 did not authorize any levy authority to such district in the previous
21 year.

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

1 free loans from the Department of Aeronautics in lieu of bonded
2 indebtedness at a lower cost to the public airport are not included in
3 the levy limits established by this section.

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

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

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

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

28 Sec. 4. Section 79-215, Revised Statutes Supplement, 2015, is
29 amended to read:

30 79-215 (1) Except as otherwise provided in this section, a student
31 is a resident of the school district where he or she resides and shall be

1 admitted to any such school district upon request without charge.

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

4 (3) A school board shall admit any homeless student upon request
5 without charge if the district is the district in which the student (a)
6 is currently located, (b) attended when permanently housed, or (c) was
7 last enrolled.

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

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

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

17 (7) A school board of any school district that is a member of a
18 learning community shall admit nonresident students to the school
19 district pursuant to the enrollment option program established pursuant
20 to sections 79-232 to 79-246 ~~open enrollment provisions of a diversity~~
21 ~~plan in a learning community as authorized by section 79-2110~~, and such
22 admission shall be without charge.

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

26 (9) When a student as a ward of the state or as a ward of any court
27 (a) has been placed in a school district other than the district in which
28 he or she resided at the time he or she became a ward and such ward does
29 not reside in a foster family home licensed or approved by the Department
30 of Health and Human Services or a foster home maintained or used pursuant
31 to section 83-108.04 or (b) has been placed in any institution which

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

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

31 (b) If a student is residing in a residential setting as described

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

23 (c) If a student is residing in a residential setting as described
24 in subdivision (10)(a) of this section and such residential setting
25 maintains an interim-program school as defined in section 79-1119.01 or
26 an approved or accredited school, the department shall reimburse such
27 residential setting for the provision of all educational services,
28 including all special education services and support services, with the
29 amount of payment for all educational services determined pursuant to the
30 average per pupil cost of the service agency as defined in section
31 79-1116. The resident school district shall retain responsibility for

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

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

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

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

1 prescribed by the State Board of Education.

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

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

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

17 Sec. 5. Section 79-233, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 79-233 For purposes of sections 79-232 to 79-246:

20 (1) Enrollment option program means the program established in
21 section 79-234;

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

25 (3) Option student means a student that has chosen to attend an
26 option school district, including a student who resides in a learning
27 community and began attendance as an option student in an option school
28 district in such learning community prior to the end of the first full
29 school year for which the option school district will be a member of such
30 learning community, ~~but not including a student who resides in a learning~~
31 ~~community and who attends pursuant to section 79-2110 another school~~

1 ~~district in such learning community;~~

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

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

9 Sec. 6. Section 79-237, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-237 (1) For a student to begin attendance as an option student in
12 an option school district which is not in a learning community in which
13 the student resides, the student's parent or legal guardian shall submit
14 an application to the school board of the option school district between
15 September 1 and March 15 for attendance during the following and
16 subsequent school years. Except as provided in subsection (2) of this
17 section, applications submitted after March 15 shall contain a release
18 approval from the resident school district on the application form
19 prescribed and furnished by the State Department of Education pursuant to
20 subsection (7 8) of this section. A district may not accept or approve
21 any applications submitted after such date without such a release
22 approval. The option school district shall provide the resident school
23 district with the name of the applicant on or before April 1 or, in the
24 case of an application submitted after March 15, within sixty days after
25 submission. The option school district shall notify, in writing, the
26 parent or legal guardian of the student and the resident school district
27 whether the application is accepted or rejected on or before April 1 or,
28 in the case of an application submitted after March 15, within sixty days
29 after submission.

30 (2) A student who relocates to a different resident school district
31 after February 1, whose option school district merges with another

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

9 ~~(3) For a student who resides in a learning community to begin~~
10 ~~attendance in an option school district which is a member of such~~
11 ~~learning community, the student's parent or legal guardian shall submit~~
12 ~~an application to the school board of the option school district (a) for~~
13 ~~any learning community established prior to February 13, 2009, between~~
14 ~~February 13, 2009, and April 1, 2009, or (b) for any learning community~~
15 ~~established thereafter, between September 1 and March 15. Applications~~
16 ~~submitted after such deadlines shall be accompanied by a written release~~
17 ~~from the resident school district. Students who reside in a learning~~
18 ~~community shall only begin attendance in an option school district which~~
19 ~~is a member of such learning community prior to the end of the first full~~
20 ~~school year for which the option school district is a member of such~~
21 ~~learning community. The option school district shall provide the resident~~
22 ~~school district with the name of the applicant within five days after the~~
23 ~~applicable deadline. The option school district shall notify, in writing,~~
24 ~~the parent or legal guardian of the student and the resident school~~
25 ~~district whether the application is accepted or rejected on or before~~
26 ~~April 1. A parent or guardian may provide information on the application~~
27 ~~regarding the applicant's potential qualification for free or reduced-~~
28 ~~price lunches. Any such information provided shall be subject to~~
29 ~~verification and shall only be used for the purposes of subsection (4) of~~
30 ~~section 79-238. Nothing in this subsection requires a parent or guardian~~
31 ~~to provide such information. Determinations about an applicant's~~

~~1 qualification for free or reduced-price lunches for purposes of
2 subsection (4) of section 79-238 shall be based on any verified
3 information provided on the application. If no such information is
4 provided, the student shall be presumed not to qualify for free or
5 reduced-price lunches for the purposes of subsection (4) of section
6 79-238.~~

7 (3 4) Applications for students who do not actually attend the
8 option school district may be withdrawn in good standing upon mutual
9 agreement by both the resident and option school districts.

10 (4 5) No option student shall attend an option school district for
11 less than one school year unless the student relocates to a different
12 resident school district, completes requirements for graduation prior to
13 the end of his or her senior year, transfers to a private or parochial
14 school, or upon mutual agreement of the resident and option school
15 districts cancels the enrollment option and returns to the resident
16 school district.

17 (5 6) Except as provided in subsection (4 5) of this section, the
18 option student shall attend the option school district until graduation
19 unless the student relocates in a different resident school district,
20 transfers to a private or parochial school, or chooses to return to the
21 resident school district.

22 (6 7) In each case of cancellation pursuant to subsections (4) and
23 (5) and (6) of this section, the student's parent or legal guardian shall
24 provide written notification to the school board of the option school
25 district and the resident school district on forms prescribed and
26 furnished by the department under subsection (7 8) of this section in
27 advance of such cancellation.

28 (7 8) The application and cancellation forms shall be prescribed and
29 furnished by the State Department of Education.

30 (8 9) An option student who subsequently chooses to attend a private
31 or parochial school shall be automatically accepted to return to either

1 the resident school district or option school district upon the
2 completion of the grade levels offered at the private or parochial
3 school. If such student chooses to return to the option school district,
4 the student's parent or legal guardian shall submit another application
5 to the school board of the option school district which shall be
6 automatically accepted, and the deadlines prescribed in this section
7 shall be waived.

8 Sec. 7. Section 79-238, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 79-238 (1) Except as provided in section 79-240, the school board of
11 the option school district shall adopt by resolution specific standards
12 for acceptance and rejection of applications. Standards may include the
13 capacity of a program, class, grade level, or school building or the
14 availability of appropriate special education programs operated by the
15 option school district. Capacity shall be determined by setting a maximum
16 number of option students that a district will accept in any program,
17 class, grade level, or school building, based upon available staff,
18 facilities, projected enrollment of resident students, projected number
19 of students with which the option school district will contract based on
20 existing contractual arrangements, and availability of appropriate
21 special education programs. The school board of the option school
22 district may by resolution declare a program, a class, or a school
23 unavailable to option students due to lack of capacity. Standards shall
24 not include previous academic achievement, athletic or other
25 extracurricular ability, disabilities, proficiency in the English
26 language, or previous disciplinary proceedings except as provided in
27 section 79-266.01. False or substantively misleading information
28 submitted by a parent or guardian on an application to an option school
29 district may be cause for the option school district to reject a
30 previously accepted application if the rejection occurs prior to the
31 student's attendance as an option student.

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

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

10 ~~(4) Any option school district that is in a learning community shall~~
11 ~~give second priority for enrollment to students who reside in the~~
12 ~~learning community and who contribute to the socioeconomic diversity of~~
13 ~~enrollment as defined in section 79-2110 at the school building to which~~
14 ~~the student will be assigned pursuant to section 79-235.~~

15 Sec. 8. Section 79-413, Reissue Revised Statutes of Nebraska, is
16 amended to read:

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

30 Any petition of the legal voters of a Class I district in which no
31 city or village is situated which is commenced after January 1, 1996, and

1 proposes the dissolution of the Class I district and the attachment of a
2 portion of it to two or more districts shall require signatures of more
3 than fifty percent of the legal voters of such Class I district. If the
4 state committee determines that such petition contains valid signatures
5 of more than fifty percent of the legal voters of such Class I district,
6 the state committee shall grant the petition.

7 (2)(a) Petitions proposing to change the boundaries of existing
8 school districts ~~that are not members of a learning community~~ through the
9 transfer of a parcel of land, not to exceed six hundred forty acres,
10 shall be approved by the state committee when the petitions involve the
11 transfer of land between Class I, II, III, or IV school districts or when
12 there would be an exchange of parcels of land between Class I, II, III,
13 or IV school districts and the petitions have the approval of at least
14 sixty-five percent of the school board of each affected district. If the
15 transfer of the parcel of land is from a Class I school district to one
16 or more Class II, III, IV, V, or VI school districts of which the parcel
17 is not a part or with which the parcel is not affiliated, any Class II,
18 III, IV, V, or VI school district of which the parcel is not a part or
19 with which the parcel is affiliated shall be deemed an affected district.

20 (b) The state committee shall not approve a change of boundaries
21 pursuant to this section relating to affiliation of school districts if
22 twenty percent or more of any tract of land under common ownership which
23 is proposing to affiliate is not contiguous to the high school district
24 with which affiliation is proposed unless (i) one or more resident
25 students of the tract of land under common ownership has attended the
26 high school program of the high school district within the immediately
27 preceding ten-year period or (ii) approval of the petition or plan would
28 allow siblings of such resident students to attend the same school as the
29 resident students attended.

30 (3)(a) Petitions proposing to create a new school district, to
31 change the boundary lines of existing school districts ~~that are not~~

1 ~~members of a learning community~~, to create an affiliated school system,
2 or to affiliate a Class I district in part and to join such district in
3 part with a Class VI district, any of which involves the transfer of more
4 than six hundred forty acres, shall, when signed by at least sixty
5 percent of the legal voters in each district affected, be submitted to
6 the state committee. In the case of a petition for affiliation or a
7 petition to affiliate in part and in part to join a Class VI district,
8 the state committee shall review the proposed affiliation subject to
9 sections 79-425 and 79-426. The state committee shall, within forty days
10 after receipt of the petition, hold one or more public hearings and
11 review and approve or disapprove such proposal.

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

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

23 (4) Any person adversely affected by the changes made by the state
24 committee may appeal to the district court of any county in which the
25 real estate or any part thereof involved in the dispute is located. If
26 the real estate is located in more than one county, the court in which an
27 appeal is first perfected shall obtain jurisdiction to the exclusion of
28 any subsequent appeal.

29 (5) A signing petitioner may withdraw his or her name from a
30 petition and a legal voter may add his or her name to a petition at any
31 time prior to the end of the period when the petition is held by the

1 state committee. Additions and withdrawals of signatures shall be by
2 notarized affidavit filed with the state committee.

3 Sec. 9. Section 79-473, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-473 (1) If the territory annexed by a change of boundaries of a
6 city or village which lies within a Class III school district as provided
7 in section 79-407 has been part of a Class IV or Class V school district
8 prior to such annexation, a merger of the annexed territory with the
9 Class III school district shall become effective only if the merger is
10 approved by a majority of the members of the school board of the Class IV
11 or V school district and a majority of the members of the school board of
12 the Class III school district within ninety days after the effective date
13 of the annexation ordinance, ~~except that a merger shall not become~~
14 ~~effective pursuant to this section if such merger involves a school~~
15 ~~district that is a member of a learning community.~~

16 (2) Notwithstanding subsection (1) of this section, when territory
17 which lies within a Class III school district, Class VI school district,
18 or Class I school district which is attached to a Class VI school
19 district or which does not lie within a Class IV or V school district is
20 annexed by a city or village pursuant to section 79-407, the affected
21 school board of the city or village school district and the affected
22 school board or boards serving the territory subject to the annexation
23 ordinance shall meet within thirty days after the effective date of the
24 annexation ordinance ~~if neither school district is a member of a learning~~
25 ~~community~~ and negotiate in good faith as to which school district shall
26 serve the annexed territory and the effective date of any transfer.
27 During the process of negotiation, the affected boards shall consider the
28 following criteria:

29 (a) The educational needs of the students in the affected school
30 districts;

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

1 (c) Any common interests between the annexed or platted area and the
2 affected school districts and the community which has zoning jurisdiction
3 over the area; and

4 (d) Community educational planning.

5 If no agreement has been reached within ninety days after the
6 effective date of the annexation ordinance, the territory shall transfer
7 to the school district of the annexing city or village ten days after the
8 expiration of such ninety-day period unless an affected school district
9 petitions the district court within the ten-day period and obtains an
10 order enjoining the transfer and requiring the boards of the affected
11 school districts to continue negotiation. The court shall issue the order
12 upon a finding that the affected board or boards have not negotiated in
13 good faith based on one or more of the criteria listed in this
14 subsection. The district court shall require no bond or other surety as a
15 condition for any preliminary injunctive relief. If no agreement is
16 reached after such order by the district court and additional
17 negotiations, the annexed territory shall become a part of the school
18 district of the annexing city or village.

19 (3) If, within the boundaries of the annexed territory, there exists
20 a Class VI school, the school building, facilities, and land owned by the
21 school district shall remain a part of the Class VI school district. If
22 the Class VI school district from which territory is being annexed wishes
23 to dispose of such school building, facilities, or land to any individual
24 or political subdivision, including a Class I school district, the
25 question of such disposition shall be placed on the ballot for the next
26 primary or general election. All legal voters of such Class VI school
27 district shall then vote on the question at such election. A simple
28 majority of the votes cast shall resolve the issue.

29 (4) Whenever an application for approval of a final plat or replat
30 is filed for territory which lies within the zoning jurisdiction of a
31 city of the first or second class and does not lie within the boundaries

1 of a Class IV or V school district, the boundaries of a school district
2 that is a member of a learning community, the boundaries of any county in
3 which a city of the metropolitan class is located, or the boundaries of
4 any county that has a contiguous border with a city of the metropolitan
5 class, the affected school board of the school district within the city
6 of the first or second class or its representative and the affected board
7 or boards serving the territory subject to the final plat or replat or
8 their representative shall meet within thirty days after such application
9 and negotiate in good faith as to which school district shall serve the
10 platted or replatted territory and the effective date of any transfer
11 based upon the criteria prescribed in subsection (2) of this section.

12 If no agreement has been reached prior to the approval of the final
13 plat or replat, the territory shall transfer to the school district of
14 the city of the first or second class upon the filing of the final plat
15 unless an affected school district petitions the district court within
16 ten days after approval of the final plat or replat and obtains an order
17 enjoining the transfer and requiring the affected boards to continue
18 negotiation. The court shall issue the order upon a finding that the
19 affected board or boards have not negotiated in good faith based on one
20 or more of the criteria listed in subsection (2) of this section. The
21 district court shall require no bond or other surety as a condition for
22 any preliminary injunctive relief. If no agreement is reached after such
23 order by the district court and additional negotiations, the platted or
24 replatted territory shall become a part of the school district of the
25 city of the first or second class.

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

30 (5) Notwithstanding any other provisions of this section, all
31 negotiated agreements relative to boundaries or to real or personal

1 property of school districts reached by the affected school boards shall
2 be valid and binding, except that such agreements shall not be binding on
3 reorganization plans pursuant to the Learning Community Reorganization
4 Act.

5 Sec. 10. Section 79-528, Reissue Revised Statutes of Nebraska, is
6 amended to read:

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

17 (b) Each Class I school district which is part of a Class VI school
18 district offering instruction (i) in grades kindergarten through five
19 shall report children from five through ten years of age, (ii) in grades
20 kindergarten through six shall report children from five through eleven
21 years of age, and (iii) in grades kindergarten through eight shall report
22 children from five through thirteen years of age.

23 (c) Each Class VI school district offering instruction (i) in grades
24 six through twelve shall report children who are eleven through eighteen
25 years of age, (ii) in grades seven through twelve shall report children
26 who are twelve through eighteen years of age, and (iii) in grades nine
27 through twelve children who are fourteen through eighteen years of age.

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

30 (e) Each Class II, III, IV, or V district shall report children who
31 are fourteen through eighteen years of age residing in Class I districts

1 or portions thereof which have affiliated with such district.

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

5 (2) On or before June 30 the superintendent of each school district
6 shall file with the Commissioner of Education a report described as an
7 end-of-the-school-year annual statistical summary showing (a) the number
8 of children attending school during the year under five years of age, (b)
9 the length of time the school has been taught during the year by a
10 qualified teacher, (c) the length of time taught by each substitute
11 teacher, and (d) such other information as the Commissioner of Education
12 directs. On or before July 31, the commissioner shall issue to each
13 learning community coordinating council an end-of-the-school-year annual
14 statistical summary for the learning community based on the member school
15 districts according to the school district reports filed with the
16 commissioner.

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

26 (b) On or before December 15, the commissioner shall issue to each
27 learning community coordinating council an annual financial report for
28 the learning community based on the member school districts according to
29 the annual financial reports filed with the commissioner, showing (i) the
30 aggregate amount of money received from all sources during the year for
31 all member school districts and the aggregate amount of money expended by

1 member school districts during the year, (ii) the aggregate amount of
2 bonded indebtedness for all member school districts, (iii) such other
3 aggregate information as shall be necessary to fulfill the requirements
4 of the Tax Equity and Educational Opportunities Support Act and section
5 79-1114 for all member school districts, and (iv) such other aggregate
6 information as the Commissioner of Education directs for all member
7 school districts.

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

16 ~~(b) On or before October 15 of each year, each learning community~~
17 ~~coordinating council shall issue to the department a report which~~
18 ~~enumerates the learning community levies pursuant to subdivisions (2)(b)~~
19 ~~and (g) of section 77-3442 and total assessed valuation for the current~~
20 ~~fiscal year.~~

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

31 (c d) When any school district fails to submit its fall membership

1 report by November 1, the commissioner shall, after notice to the
2 district and an opportunity to be heard, direct that any state aid
3 granted pursuant to the Tax Equity and Educational Opportunities Support
4 Act be withheld until such time as the report is received by the
5 department. In addition, the commissioner shall direct the county
6 treasurer to withhold all school money belonging to the school district
7 until such time as the commissioner notifies the county treasurer of
8 receipt of such report. The county treasurer shall withhold such money.

9 Sec. 11. Section 79-611, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 79-611 (1) The school board of any school district shall provide
12 free transportation, partially provide free transportation, or pay an
13 allowance for transportation in lieu of free transportation as follows:

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

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

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

31 (d) When a student, other than a student in grades ten through

1 twelve in a Class V district, attends an elementary or junior high school
2 in his or her own Class V district and lives more than four miles from
3 the public schoolhouse in such district as measured by the shortest route
4 that must actually and necessarily be traveled by motor vehicle to reach
5 the student's residence.

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

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

28 (c) ~~For any student who resides within a learning community and~~
29 ~~transfers to another school building pursuant to the open enrollment~~
30 ~~provisions of section 79-2110 and who had not been accepted for open~~
31 ~~enrollment into any school building within such district prior to~~

1 ~~September 6, 2013, the school board is exempt from the requirement of~~
2 ~~subdivision (2)(a) of this section if (i) the student is transferring to~~
3 ~~another school building within his or her home school district or (ii)~~
4 ~~the student is transferring to a school building in a school district~~
5 ~~that does not share a common border with his or her home school district.~~

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

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

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

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

1 (5) When a student who qualifies under the mileage requirements of
2 subsection (1) of this section lives more than three miles from the
3 location where the student must be picked up and dropped off in order to
4 access school-provided free transportation, as measured by the shortest
5 route that must actually and necessarily be traveled by motor vehicle
6 between his or her residence and such location, such school-provided
7 transportation shall be deemed partially provided free transportation.
8 School districts partially providing free transportation shall pay an
9 allowance to the student's parent or guardian equal to two hundred
10 eighty-five percent of the mileage rate provided in section 81-1176
11 multiplied by each mile actually and necessarily traveled, on each day of
12 attendance, beyond which the one-way distance from the residence of the
13 student to the location where the student must be picked up and dropped
14 off exceeds three miles.

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

25 (7) No more than one allowance shall be made to a family
26 irrespective of the number of students in a family being transported to
27 school. If a family resides in a Class I district which is part of a
28 Class VI district and has students enrolled in any of the grades offered
29 by the Class I district and in any of the non-high-school grades offered
30 by the Class VI district, such family shall receive not more than one
31 allowance for the distance actually traveled when both districts are on

1 the same direct travel route with one district being located a greater
2 distance from the residence than the other. In such cases, the travel
3 allowance shall be prorated among the school districts involved.

4 (8) No student shall be exempt from school attendance on account of
5 distance from the public schoolhouse.

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

8 79-1007.18 (1) The department shall calculate an averaging
9 adjustment for districts if the basic funding per formula student is less
10 than the averaging adjustment threshold and the general fund levy for the
11 school fiscal year immediately preceding the school fiscal year for which
12 aid is being calculated was at least one dollar per one hundred dollars
13 of taxable valuation. ~~For school districts that are members of a learning~~
14 ~~community, the general fund levy for purposes of this section includes~~
15 ~~both the common general fund levy and the school district general fund~~
16 ~~levy authorized pursuant to subdivisions (2)(b) and (2)(c) of section~~
17 ~~77-3442.~~ The averaging adjustment shall equal the district's formula
18 students multiplied by the percentage specified in this section for such
19 district of the difference between the averaging adjustment threshold
20 minus such district's basic funding per formula student.

21 (2)(a) For school fiscal years 2012-13 and 2013-14, the averaging
22 adjustment threshold shall equal the lesser of (i) the averaging
23 adjustment threshold for the school fiscal year immediately preceding the
24 school fiscal year for which aid is being calculated increased by the
25 basic allowable growth rate or (ii) the statewide average basic funding
26 per formula student for the school fiscal year for which aid is being
27 calculated.

28 (b) For school fiscal year 2014-15 and each school fiscal year
29 thereafter, the averaging adjustment threshold shall equal the aggregate
30 basic funding for all districts with nine hundred or more formula
31 students divided by the aggregate formula students for all districts with

1 nine hundred or more formula students for the school fiscal year for
2 which aid is being calculated.

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

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

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

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

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

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

24 (e) If such levy was at least one dollar and four cents per one
25 hundred dollars of taxable valuation, the percentage shall be ninety
26 percent.

27 Sec. 13. Section 79-1008.02, Reissue Revised Statutes of Nebraska,
28 is amended to read:

29 79-1008.02 A minimum levy adjustment shall be calculated and applied
30 to any local system that has a general fund common levy for the fiscal
31 year during which aid is certified that is less than the maximum levy,

1 for such fiscal year for such local system, allowed pursuant to
2 subdivision (2)(a) ~~or (b)~~ of section 77-3442 without a vote pursuant to
3 section 77-3444 ~~less five cents for learning communities and less ten~~
4 ~~cents for all other local systems.~~ To calculate the minimum levy
5 adjustment, the department shall subtract the local system general fund
6 common levy for such fiscal year for such local system from the maximum
7 levy allowed pursuant to subdivision (2)(a) ~~or (b)~~ of section 77-3442
8 without a vote pursuant to section 77-3444 ~~less five cents for learning~~
9 ~~communities and less ten cents for all other local systems~~ and multiply
10 the result by the local system's adjusted valuation divided by one
11 hundred. The minimum levy adjustment shall be added to the formula
12 resources of the local system for the determination of equalization aid
13 pursuant to section 79-1008.01. If the minimum levy adjustment is greater
14 than or equal to the allocated income tax funds calculated pursuant to
15 section 79-1005.01, the local system shall not receive allocated income
16 tax funds. If the minimum levy adjustment is less than the allocated
17 income tax funds calculated pursuant to section 79-1005.01, the local
18 system shall receive allocated income tax funds in the amount of the
19 difference between the allocated income tax funds calculated pursuant to
20 section 79-1005.01 and the minimum levy adjustment. ~~This section does not~~
21 ~~apply to the calculation of aid for a local system containing a learning~~
22 ~~community for the first school fiscal year for which aid is calculated~~
23 ~~for such local system.~~

24 Sec. 14. Section 79-1036, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-1036 (1) In making the apportionment under section 79-1035, the
27 Commissioner of Education shall distribute from the school fund for
28 school purposes, to any and all school districts ~~learning communities and~~
29 ~~school districts which are not members of a learning community,~~ in which
30 there are situated school lands which have not been sold and transferred
31 by deed or saline lands owned by the state, which lands are being used

1 for a public purpose, an amount in lieu of tax money that would be raised
2 by school district levies and ~~learning community common levies for which~~
3 ~~the proceeds are distributed to member school districts pursuant to~~
4 ~~sections 79-1073 and 79-1073.01~~ if such lands were taxable, to be
5 ascertained in accordance with subsection (2) of this section, except
6 that:

7 (a) For Class I districts or portions thereof which are affiliated
8 and in which there are situated school or saline lands, 38.6207 percent
9 of the in lieu of land tax money calculated pursuant to subsection (2) of
10 this section, based on the affiliated school system tax levy computed
11 pursuant to section 79-1077, shall be distributed to the affiliated high
12 school district and the remainder shall be distributed to the Class I
13 district;

14 (b) For Class I districts or portions thereof which are part of a
15 Class VI district which offers instruction in grades nine through twelve
16 and in which there are situated school or saline lands, 38.6207 percent
17 of the in lieu of land tax money calculated pursuant to subsection (2) of
18 this section, based on the Class VI school system levy computed pursuant
19 to section 79-1078, shall be distributed to the Class VI district and the
20 remainder shall be distributed to the Class I district;

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

28 (d) For Class I districts or portions thereof which are part of a
29 Class VI district which offers instruction in grades six through twelve
30 and in which there are situated school or saline lands, 62.0690 percent
31 of the in lieu of land tax money calculated pursuant to subsection (2) of

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

4 (2) The county assessor shall certify to the Commissioner of
5 Education the tax levies of each school district ~~and learning community~~
6 in which school land or saline land is located and the last appraised
7 value of such school land, which value shall be the same percentage of
8 the appraised value as the percentage of the assessed value is of market
9 value in subsection (2) of section 77-201 for the purpose of applying the
10 applicable tax levies for each district ~~and learning community~~ in
11 determining the distribution to the districts of such amounts. The school
12 board of any school district ~~and the learning community coordinating~~
13 ~~council of any learning community~~ in which there is located any leased or
14 undeeded school land or saline land subject to this section may appeal to
15 the Board of Educational Lands and Funds for a reappraisalment of such
16 school land if such school board ~~or learning community coordinating~~
17 ~~council~~ deems the land not appraised in proportion to the value of
18 adjoining land of the same or similar value. The Board of Educational
19 Lands and Funds shall proceed to investigate the facts involved in such
20 appeal and, if the contention of the school board ~~or learning community~~
21 ~~coordinating council~~ is correct, make the proper reappraisalment. The
22 value calculation in this subsection shall be used by the Commissioner of
23 Education for making distributions in each school fiscal year.

24 Sec. 15. Section 79-1041, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 79-1041 ~~Each county treasurer of a county with territory in a~~
27 ~~learning community shall distribute any funds collected by such county~~
28 ~~treasurer from the common general fund levy and the common building fund~~
29 ~~levy of such learning community to each member school district pursuant~~
30 ~~to sections 79-1073 and 79-1073.01 at least once each month.~~

31 Each county treasurer shall, upon request of a majority of the

1 members of the school board or board of education in any school district,
2 at least once each month distribute to the district any funds collected
3 by such county treasurer for school purposes.

4 Sec. 16. Section 79-10,120, Reissue Revised Statutes of Nebraska, is
5 amended to read:

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

25 Sec. 17. Section 79-10,126, Reissue Revised Statutes of Nebraska, is
26 amended to read:

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

1 purpose, (2) a fund resulting from an annual amount of tax to be
2 determined by the board of education of not to exceed fourteen cents on
3 each one hundred dollars upon the taxable value of all the taxable
4 property in the district for the purpose of acquiring sites of school
5 buildings and the erection, alteration, equipping, and furnishing of
6 school buildings and additions to school buildings, which tax levy shall
7 be used for no other purposes, and (3) a further fund resulting from an
8 annual amount of tax to be determined by the board of education to pay
9 interest on and retiring, funding, or servicing of bonded indebtedness of
10 the district.

11 Sec. 18. Section 79-2104, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 79-2104 A learning community coordinating council shall have the
14 authority to:

15 (1) Until July 1, 2017, levy ~~Levy~~ a common levy for the general
16 funds of member school districts pursuant to sections 77-3442 and
17 79-1073;

18 (2) Until July 1, 2017, levy ~~Levy~~ a common levy for the special
19 building funds of member school districts pursuant to sections 77-3442
20 and 79-1073.01;

21 (3) Levy for elementary learning center facility leases, for
22 remodeling of leased elementary learning center facilities, and for up to
23 fifty percent of the estimated cost for focus school or program capital
24 projects approved by the learning community coordinating council pursuant
25 to subdivision ~~(2)(d)~~ ~~(2)(h)~~ of section 77-3442 and section 79-2111;

26 (4) Levy for early childhood education programs for children in
27 poverty, for elementary learning center employees, for contracts with
28 other entities or individuals who are not employees of the learning
29 community for elementary learning center programs and services, and for
30 pilot projects pursuant to subdivision ~~(2)(e)~~ ~~(2)(i)~~ of section 77-3442,
31 except that not more than ten percent of such levy may be used for

1 elementary learning center employees;

2 (5) Collect, analyze, and report data and information, including,
3 but not limited to, information provided by a school district pursuant to
4 subsection (5) of section 79-201;

5 (6) Approve focus schools and focus programs to be operated by
6 member school districts;

7 (7) Adopt, approve, and implement a diversity plan which shall
8 ~~include open enrollment and~~ may include focus schools, focus programs,
9 magnet schools, and pathways pursuant to section 79-2110;

10 ~~(8) Administer the open enrollment provisions in section 79-2110 for~~
11 ~~the learning community as part of a diversity plan developed by the~~
12 ~~council to provide educational opportunities which will result in~~
13 ~~increased diversity in schools across the learning community;~~

14 (8 9) Annually conduct school fairs to provide students and parents
15 the opportunity to explore the educational opportunities available at
16 each school in the learning community and develop other methods for
17 encouraging access to such information and promotional materials;

18 (9 ~~10~~) Develop and approve reorganization plans for submission
19 pursuant to the Learning Community Reorganization Act;

20 (10 ~~11~~) Establish and administer elementary learning centers through
21 achievement subcouncils pursuant to sections 79-2112 to 79-2114;

22 (11 ~~12~~) Administer the learning community funds distributed to the
23 learning community pursuant to section 79-2111;

24 (12 ~~13~~) Approve or disapprove poverty plans and limited English
25 proficiency plans for member school districts through achievement
26 subcouncils established under section 79-2117;

27 (13 ~~14~~) Establish a procedure for receiving community input and
28 complaints regarding the learning community;

29 (14 ~~15~~) Establish a procedure to assist parents, citizens, and
30 member school districts in accessing an approved center pursuant to the
31 Dispute Resolution Act to resolve disputes involving member school

1 districts or the learning community. Such procedure may include payment
2 by the learning community for some mediation services;

3 (15 16) Establish and administer pilot projects related to enhancing
4 the academic achievement of elementary students, particularly students
5 who face challenges in the educational environment due to factors such as
6 poverty, limited English skills, and mobility;

7 (16 17) Provide funding to public or private entities engaged in the
8 juvenile justice system providing profiling and diversion programming
9 designed to reduce excessive absenteeism and unnecessary involvement with
10 the juvenile justice system; and

11 (17 18) Hold public hearings at its discretion in response to issues
12 raised by residents regarding the learning community, a member school
13 district, and academic achievement.

14 Sec. 19. Section 79-2104.01, Reissue Revised Statutes of Nebraska,
15 is amended to read:

16 79-2104.01 Each learning community coordinating council shall have
17 an advisory committee composed of the superintendent from each member
18 school district or his or her representative. The advisory committee
19 shall:

20 ~~(1) Review issues related to open enrollment;~~

21 (1 2) Review proposals for focus programs, focus schools, magnet
22 schools, and pathways;

23 (2 3) Provide recommendations for improving academic achievement
24 across the learning community;

25 (3 4) Provide recommendations for improving the learning community's
26 diversity plan;

27 (4 5) Submit a plan to the learning community coordinating council
28 providing for the implementation and administration of early childhood
29 education programs for children in poverty; and

30 (5 6) Provide input to the learning community coordinating council
31 on other issues as requested.

1 Sec. 20. Section 79-2104.03, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 79-2104.03 The advisory committee described in section 79-2104.01
4 shall submit a plan as provided in subdivision (4 5) of section
5 79-2104.01 to the learning community coordinating council for any early
6 childhood education programs for children in poverty and the services to
7 be provided by such programs. In developing the plan, the advisory
8 committee shall seek input from member school districts and community
9 resources and collaborate with such resources in order to maximize the
10 available opportunities and resources for such programs. The advisory
11 committee may, as part of such plan, recommend services to be provided
12 through contract with, or grants to, school districts to provide or
13 contract for some or all of the services. The advisory committee shall
14 take special efforts to establish early childhood education programs for
15 children in poverty so that such programs are readily available and
16 accessible to children and families located in areas with a high
17 concentration of poverty.

18 Sec. 21. Section 79-2107, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 79-2107 The boundaries of all school districts for which the
21 principal office of the school district is located in a county in which a
22 city of the metropolitan class is located and all school districts for
23 which the principal office of the school district is located in a county
24 that has a contiguous border of at least five miles in the aggregate with
25 such city of the metropolitan class shall remain as depicted on the map
26 kept by the county clerk pursuant to section 79-490 as of March 1, 2006,
27 for cities of the metropolitan class designated as such prior to January
28 2008 or as of March 1 immediately preceding the designation as a city of
29 the metropolitan class for cities designated as such on or after January
30 1, 2008, until a learning community has been established for such city of
31 the metropolitan class, except that such districts may transfer property

1 to other such districts with the agreement of the school board of each
2 affected district ~~prior to the effective date for such learning~~
3 ~~community.~~

4 Sec. 22. Section 79-2110, Revised Statutes Supplement, 2015, is
5 amended to read:

6 79-2110 (1)(a) ~~Each diversity plan shall provide for open~~
7 ~~enrollment in all school buildings in the learning community, subject to~~
8 ~~specific limitations necessary to bring about diverse enrollments in each~~
9 ~~school building in the learning community. Such limitations, for school~~
10 ~~buildings other than focus schools and programs other than focus~~
11 ~~programs, shall include giving preference at each school building first~~
12 ~~to siblings of students who will be enrolled as continuing students in~~
13 ~~such school building or program for the first school year for which~~
14 ~~enrollment is sought in such school building and then to students that~~
15 ~~contribute to the socioeconomic diversity of enrollment at each building~~
16 ~~and may include establishing zone limitations in which students may~~
17 ~~access several schools other than their home attendance area school.~~
18 ~~Notwithstanding the limitations necessary to bring about diversity, open~~
19 ~~enrollment shall include providing access to students who do not~~
20 ~~contribute to the socioeconomic diversity of a school building, if,~~
21 ~~subsequent to the open enrollment selection process that is subject to~~
22 ~~limitations necessary to bring about diverse enrollments, capacity~~
23 ~~remains in a school building. In such a case, students who have applied~~
24 ~~to attend such school building shall be selected to attend such school~~
25 ~~building on a random basis up to the remaining capacity of such building.~~
26 ~~A student who has otherwise been disqualified from the school building~~
27 ~~pursuant to the school district's code of conduct or related school~~
28 ~~discipline rules shall not be eligible for open enrollment pursuant to~~
29 ~~this section. Any student who attended a particular school building in~~
30 ~~the prior school year and who is seeking education in the grades offered~~
31 ~~in such school building shall be allowed to continue attending such~~

1 ~~school building as a continuing student.~~

2 ~~(b) To facilitate the open enrollment provisions of this subsection,~~
3 ~~each school year each member school district in a learning community~~
4 ~~shall establish a maximum capacity for each school building under such~~
5 ~~district's control pursuant to procedures and criteria established by the~~
6 ~~learning community coordinating council. Each member school district~~
7 ~~shall also establish attendance areas for each school building under the~~
8 ~~district's control, except that the school board shall not establish~~
9 ~~attendance areas for focus schools or focus programs. The attendance~~
10 ~~areas shall be established such that all of the territory of the school~~
11 ~~district is within an attendance area for each grade. Students residing~~
12 ~~in a school district shall be allowed to attend a school building in such~~
13 ~~school district.~~

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

29 ~~(2)(a) On or before March 15 of each year beginning with the year~~
30 ~~immediately following the year in which the initial coordinating council~~
31 ~~for the learning community takes office, a parent or guardian of a~~

1 ~~student residing in a member school district in a learning community may~~
2 ~~submit an application to any school district in the learning community on~~
3 ~~behalf of a student who is applying to attend a school building for the~~
4 ~~following school year that is not in an attendance area where the~~
5 ~~applicant resides or a focus school, focus program, or magnet school as~~
6 ~~such terms are defined in section 79-769. On or before April 1 of each~~
7 ~~year beginning with the year immediately following the year in which the~~
8 ~~initial coordinating council for the learning community takes office, the~~
9 ~~school district shall accept or reject such applications based on the~~
10 ~~capacity of the school building, the eligibility of the applicant for the~~
11 ~~school building or program, the number of such applicants that will be~~
12 ~~accepted for a given school building, and whether or not the applicant~~
13 ~~contributes to the socioeconomic diversity of the school or program to~~
14 ~~which he or she has applied and for which he or she is eligible. The~~
15 ~~school district shall notify such parent or guardian in writing of the~~
16 ~~acceptance or rejection.~~

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

27 ~~(c) A student may not apply to attend a school building in the~~
28 ~~learning community for any grades that are offered by another school~~
29 ~~building for which the student had previously applied and been accepted~~
30 ~~pursuant to this section, absent a hardship exception as established by~~
31 ~~the individual school district. On or before September 1 of each year~~

1 ~~beginning with the year immediately following the year in which the~~
2 ~~initial coordinating council for the learning community takes office,~~
3 ~~each school district shall provide to the learning community coordinating~~
4 ~~council a complete and accurate report of all applications received,~~
5 ~~including the number of students who applied at each grade level at each~~
6 ~~building, the number of students accepted at each grade level at each~~
7 ~~building, the number of such students that contributed to the~~
8 ~~socioeconomic diversity that applied and were accepted, the number of~~
9 ~~applicants denied and the rationales for denial, and other such~~
10 ~~information as requested by the learning community coordinating council.~~

11 ~~(3)~~ Each diversity plan developed pursuant to section 79-2104 may
12 also include establishment of one or more focus schools or focus programs
13 and the involvement of every member school district in one or more
14 pathways across member school districts. Enrollment in each focus school
15 or focus program shall be designed to reflect the socioeconomic diversity
16 of the learning community as a whole. School district selection of
17 students for focus schools or focus programs shall be on a random basis
18 from two pools of applicants, those who qualify for free and reduced-
19 price lunches and those who do not qualify for free and reduced-price
20 lunches. The percentage of students selected for focus schools from the
21 pool of applicants who qualify for free and reduced-price lunches shall
22 be as nearly equal as possible to the percentage of the student body of
23 the learning community who qualify for free and reduced-price lunches.
24 The percentage of students selected for focus schools from the pool of
25 applicants who do not qualify for free and reduced-price lunches shall be
26 as nearly equal as possible to the percentage of the student body of the
27 learning community who do not qualify for free and reduced-price lunches.
28 If more capacity exists in a focus school or program than the number of
29 applicants for such focus school or program that contribute to the
30 socioeconomic diversity of the focus school or program, the school
31 district shall randomly select applicants up to the number of applicants

1 that will be accepted for such building. A student who will complete the
2 grades offered at a focus program, focus school, or magnet school that is
3 part of a pathway shall be allowed to attend the focus program, focus
4 school, or magnet school offering the next grade level as part of the
5 pathway as a continuing student. A student who completes the grades
6 offered at a focus program, focus school, or magnet school shall be
7 allowed to attend a school offering the next grade level in the school
8 district responsible for the focus program, focus school, or magnet
9 school as a continuing student. A student who attended a program or
10 school in the school year immediately preceding the first school year for
11 which the program or school will operate as a focus program or focus
12 school approved by the learning community and meeting the requirements of
13 section 79-769 and who has not completed the grades offered at the focus
14 program or focus school shall be a continuing student in the program or
15 school.

16 ~~(4) On or before February 15 of each year beginning with the year~~
17 ~~immediately following the year in which the initial coordinating council~~
18 ~~for the learning community takes office, a parent or guardian of a~~
19 ~~student who is currently attending a school building or program, except a~~
20 ~~magnet school, focus school, or focus program, outside of the attendance~~
21 ~~area where the student resides and who will complete the grades offered~~
22 ~~at such school building prior to the following school year shall provide~~
23 ~~notice, on a form provided by the school district, to the school board of~~
24 ~~the school district containing such school building if such student will~~
25 ~~attend another school building within such district as a continuing~~
26 ~~student and which school building such student would prefer to attend. On~~
27 ~~or before March 1, such school board shall provide a notice to such~~
28 ~~parent or guardian stating which school building or buildings the student~~
29 ~~shall be allowed to attend in such school district as a continuing~~
30 ~~student for the following school year. If the student resides within the~~
31 ~~school district, the notice shall include the school building offering~~

1 ~~the grade the student will be entering for the following school year in~~
2 ~~the attendance area where the student resides. This subsection shall not~~
3 ~~apply to focus schools or programs.~~

4 ~~(5) A parent or guardian of a student who moves to a new residence~~
5 ~~in the learning community after April 1 may apply directly to a school~~
6 ~~board within the learning community within ninety days after moving for~~
7 ~~the student to attend a school building outside of the attendance area~~
8 ~~where the student resides. Such school board shall accept or reject such~~
9 ~~application within fifteen days after receiving the application, based on~~
10 ~~the number of applications and qualifications pursuant to subsection (2)~~
11 ~~or (3) of this section for all other students.~~

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

25 Sec. 23. Section 79-2111, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 79-2111 (1) A learning community may levy a maximum levy pursuant to
28 subdivision ~~(2)(d)~~ ~~(2)(h)~~ of section 77-3442 for elementary learning
29 center facility leases, for remodeling of leased elementary learning
30 center facilities, and for up to fifty percent of the estimated costs for
31 focus school or program capital projects approved pursuant to this

1 section. The proceeds from such levy shall be used for elementary
2 learning center facility leases, for remodeling of leased elementary
3 learning center facilities, and to reduce the bonded indebtedness
4 required for approved projects by up to fifty percent of the estimated
5 cost of the approved project. The funds used for reductions of bonded
6 indebtedness shall be transferred to the school district for which the
7 project was approved and shall be deposited in such school district's
8 special building fund for use on such project.

9 (2) The learning community may approve pursuant to this section
10 funding for capital projects which will include the purchase,
11 construction, or remodeling of facilities for a focus school or program
12 designed to meet the requirements of section 79-769. Such approval shall
13 include an estimated cost for the project and shall state the amount that
14 will be provided by the learning community for such project.

15 (3) If, within the ten years following receipt of the funding for a
16 capital project pursuant to this section, a school district receiving
17 such funding uses the facility purchased, constructed, or remodeled with
18 such funding for purposes other than those stated to qualify for the
19 funds, the school district shall repay such funds to the learning
20 community with interest at the rate prescribed in section 45-104.02
21 accruing from the date the funds were transferred to the school
22 district's building fund as of the last date the facility was used for
23 such purpose as determined by the learning community coordinating council
24 or the date that the learning community coordinating council determines
25 that the facility will not be used for such purpose or that such facility
26 will not be purchased, constructed, or remodeled for such purpose.
27 Interest shall continue to accrue on outstanding balances until the
28 repayment has been completed. The remaining terms of repayment shall be
29 determined by the learning community coordinating council. The learning
30 community coordinating council may waive such repayment if the facility
31 is used for a different focus school or program for a period of time that

1 will result in the use of the facility for qualifying purposes for a
2 total of at least ten years.

3 Sec. 24. Section 79-2404, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 79-2404 If the school board of any school district or the board of
6 any educational service unit fails to timely file a copy of an approved
7 contract, or contract amendment, for superintendent services or
8 educational service unit administrator services with the State Department
9 of Education as required in section 79-2403, the Commissioner of
10 Education, after notice to the board president and either the
11 superintendent or educational service unit administrator and an
12 opportunity to be heard, shall direct that any state aid granted pursuant
13 to the Tax Equity and Educational Opportunities Support Act to the school
14 district or core services and technology infrastructure funds granted
15 pursuant to section 79-1241.03 to the educational service unit be
16 withheld until such time as the contract or amendment is received by the
17 department. In addition, the commissioner shall direct each county
18 treasurer of a county with territory in the school district or
19 educational service unit to withhold all money belonging to the school
20 district or educational service unit until such time as the commissioner
21 notifies such county treasurer of receipt of such contract or amendment.
22 Each such county treasurer shall withhold such money. For school
23 districts that are members of learning communities, a determination of
24 school money belonging to the school district shall be based on the
25 ~~proportionate share of property tax receipts allocated to the school~~
26 ~~district pursuant to section 79-1073 in addition to the other property~~
27 tax receipts belonging to the school district. If the board does not
28 comply with this section prior to October 1 following the school fiscal
29 year for which the state aid or core services and technology
30 infrastructure funding was calculated, the funds shall revert to the
31 General Fund. The amount of any reverted funds shall be included in data

1 provided to the Governor, the Appropriations Committee of the
2 Legislature, and the Education Committee of the Legislature in accordance
3 with section 79-1031.

4 Sec. 25. Sections 1, 2, 3, 10, 12, 13, 14, 15, 16, 17, 23, 24, 26,
5 and 28 of this act become operative on July 1, 2017. The other sections
6 of this act become operative on their effective date.

7 Sec. 26. Original sections 79-528, 79-1007.18, 79-1008.02, 79-1036,
8 79-1041, 79-10,120, 79-10,126, 79-2111, and 79-2404, Reissue Revised
9 Statutes of Nebraska, sections 70-651.04 and 77-1736.06, Revised Statutes
10 Cumulative Supplement, 2014, and section 77-3442, Revised Statutes
11 Supplement, 2015, are repealed.

12 Sec. 27. Original sections 79-233, 79-237, 79-238, 79-413, 79-473,
13 79-611, 79-2104, 79-2104.01, 79-2104.03, and 79-2107, Reissue Revised
14 Statutes of Nebraska, and sections 79-215 and 79-2110, Revised Statutes
15 Supplement, 2015, are repealed.

16 Sec. 28. The following sections are outright repealed: Sections
17 79-1073, 79-1073.01, and 79-10,126.01, Reissue Revised Statutes of
18 Nebraska.

19 Sec. 29. The following section is outright repealed: Section
20 79-2110.01, Reissue Revised Statutes of Nebraska.