

AMENDMENTS TO LB753

(Amendments to Standing Committee amendments, AM338)

Introduced by Linehan, 39.

1 1. Strike sections 10 and 11 and insert the following new sections:

2 Sec. 10. (1) For purposes of this section:

3 (a) Net revenue means the total amount of revenue received by a
4 scholarship-granting organization during a state fiscal year minus the
5 amount of such revenue that is used or reserved for the administrative
6 costs of such organization for the same state fiscal year;

7 (b) Revenue means all grants, donations, and contributions received
8 by a scholarship-granting organization for the purpose of providing
9 education scholarships; and

10 (c) State fiscal year means the period of time commencing on July 1
11 and ending on June 30 of the following year.

12 (2) In order for a scholarship-granting organization to remain
13 certified under the Opportunity Scholarships Act, the scholarship-
14 granting organization shall allocate its revenue as follows:

15 (a) If the annual limit on tax credits under section 9 of this act
16 is less than thirty-five million dollars, the scholarship-granting
17 organization shall allocate at least ninety percent of its revenue for
18 education scholarships and no more than ten percent of its revenue shall
19 be used or reserved for administrative costs; or

20 (b) If the annual limit on tax credits under section 9 of this act
21 is thirty-five million dollars or more, the scholarship-granting
22 organization shall allocate at least ninety-five percent of its revenue
23 for education scholarships, and no more than five percent of its revenue
24 shall be used or reserved for administrative costs.

25 (3) For purposes of subsection (2) of this section, revenue is
26 allocated when it is expended or otherwise irrevocably encumbered for

1 expenditure. The percentage of revenue allocated for education
2 scholarships shall be measured as a monthly average over the most recent
3 twenty-four-month period or, for a scholarship-granting organization that
4 has been certified for less than twenty-four months, over the period of
5 time that the scholarship-granting organization has been certified.

6 (4) Beginning January 1, 2028:

7 (a) A scholarship-granting organization shall carry forward no more
8 than twenty-five percent of its net revenue from one state fiscal year to
9 the following state fiscal year. Any amount carried forward shall be
10 expended for annual or partial-year education scholarships in the
11 following state fiscal year; and

12 (b) Any amount of net revenue remaining on June 30 of any state
13 fiscal year that is in excess of the amount that may be carried forward
14 under subdivision (a) of this subsection shall be used to provide
15 education scholarships to eligible students or transferred to one or more
16 other scholarship-granting organizations to provide education
17 scholarships to eligible students by no later than the following
18 September 30. Any amount of such net revenue that is not used or
19 transferred by the following September 30 shall be remitted to the State
20 Treasurer for credit to the General Fund. Any scholarship-granting
21 organization receiving a transfer pursuant to this subdivision shall
22 place the transferred funds into its scholarship account and shall
23 separately disclose the transfer in its annual financial audit.

24 Sec. 11. (1) Each scholarship-granting organization shall annually
25 submit to the department no later than December 1 of each year an audited
26 financial information report for its most recent fiscal year certified by
27 an independent public accountant.

28 (2) Each scholarship-granting organization shall include with the
29 report submitted under subsection (1) of this section a summary
30 description of (a) its policies and procedures for awarding education
31 scholarships, (b) the number of eligible students receiving education

1 scholarships in the most recent fiscal year, (c) the total amount of
2 contributions received for education scholarships in the most recent
3 fiscal year, and (d) the total amount of education scholarships awarded
4 in the most recent fiscal year.

5 (3) The department shall electronically forward such reports and
6 summary descriptions to the Governor and the Legislature no later than
7 December 31 of each year.

8 (4) By June 30, 2027, and by June 30 of each odd-numbered year
9 thereafter, the department shall electronically submit a report to the
10 chairperson of the Appropriations Committee of the Legislature, the
11 chairperson of the Education Committee of the Legislature, and the
12 chairperson of the Revenue Committee of the Legislature. The report shall
13 include, but not be limited to, the following:

14 (a) A review of the progress of the Opportunity Scholarships Act;

15 (b) The number of students currently wait-listed or denied from
16 receiving an education scholarship and the reason for the wait-listing or
17 denial;

18 (c) The dollar amount of education scholarships given by
19 scholarship-granting organizations; and

20 (d) The demographic information of students receiving education
21 scholarships, including, but not limited to:

22 (i) Income level;

23 (ii) Grade level; and

24 (iii) Geographic location.