

LEGISLATIVE BILL 860

Approved by the Governor June 7, 1995

Introduced by Robinson, 16; Bohlke, 33; Bromm, 23; Crosby, 29; Dierks, 40; Hartnett, 45; Hudkins, 21; Janssen, 15; Jones, 43; McKenzie, 34; Schmitt, 41; Schrock, 38

AN ACT relating to schools; to amend sections 79-2225 and 81-1634, Reissue Revised Statutes of Nebraska, and section 9-812, Revised Statutes Supplement, 1994; to provide for funds to implement access to telecomputing resources; to state intent; to create a fund; to provide powers and duties relating to access to a statewide public computer information network; to change the distribution of certain funds; and to repeal the original sections.

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

Section 1. Section 9-812, Revised Statutes Supplement, 1994, is amended to read:

9-812. (1) All money received from the operation of lottery games conducted pursuant to the State Lottery Act in Nebraska shall be deposited in the State Lottery Operation Trust Fund, which fund is hereby created. All payments of expenses of the operation of the lottery games shall be made from the State Lottery Operation Cash Fund. In accordance with legislative appropriations, money for payments for expenses of the division shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Operation Cash Fund, which fund is hereby created. All money necessary for the payment of lottery prizes shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Prize Trust Fund, which fund is hereby created. The amount used for the payment of lottery prizes shall not be less than forty percent of the dollar amount of the lottery tickets which have been sold. Of the money remaining after the payment of prizes and operating expenses, the State Treasurer shall transfer from the State Lottery Operation Trust Fund to the General Fund an amount equal to the initial appropriation to the State Lottery Operation Trust Fund with interest at the rate specified in section 45-104.02, as such rate may from time to time be adjusted. After the General Fund is repaid, at least twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred to the Education Innovation Fund, the Solid Waste Landfill Closure Assistance Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund. Forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Education Innovation Fund. Beginning on July 15, 1993, and continuing through July 1, 1997, twenty-four and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Solid Waste Landfill Closure Assistance Fund and twenty-five percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act. After July 1, 1997, forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Nebraska Environmental Trust Act. One percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund to be used as provided in subsection (4) of this section.

(2) The Education Innovation Fund is hereby created. Each fiscal year beginning with fiscal year 1994-95, at least seventy-five percent of the lottery proceeds allocated to the Education Innovation Fund shall be available for disbursement.

The Education Innovation Fund shall be allocated by the Governor through incentive grants to encourage the development of strategic school improvement plans by school districts for accomplishing high performance learning and to encourage schools to establish innovations in programs or practices that result in restructuring of school organization, school management, and instructional programs which bring about improvement in the quality of education. Such grants are intended to provide selected school districts, teachers or groups of teachers, nonprofit educational organizations, educational service units, or cooperatives funding for the allowable costs of implementing pilot projects and model programs.

Minigrants shall be available to school districts to support the development of strategic school improvement plans which shall include

statements of purposes and goals for the districts. The plans shall also include the specific statements of improvement or strategic initiatives designed to improve quality learning for every student.

Major competitive grants shall be available to support innovative programs which are directly related to the strategic school improvement plans. The development of a strategic school improvement plan by a school district shall be required before a grant is awarded. Annual reports shall be made by program recipients documenting the effectiveness of the program in improving the quality of education as designed in the strategic school improvement plans. Special consideration shall be given to plans which contain public or private matching funds and cooperative agreements, including agreements for in-kind services. Purposes for which incentives would be offered shall include:

(a) Professional staff development programs to provide funds for teacher and administrator training and continuing education to upgrade teaching and administrative skills;

(b) The development of strategic school improvement plans by school districts;

(c) Educational technology assistance to public schools for the purchase and operation of computers, telecommunications equipment and services, and other forms of technological innovation which may enhance classroom teaching, instructional management, and districtwide administration pursuant to the state's goal of ensuring that all kindergarten through grade twelve public school districts or affiliated school systems have a direct connection to a statewide public computer information network by June 30, 2000. The telecomputing equipment and services needed to meet this goal may be funded under this subsection, section 79-2225, section 2 of this act, or any combination of such subsection and sections. Such telecommunications equipment, services, and forms of technical innovation shall be approved by the State Department of Education in consultation with the Department of Administrative Services to insure compatibility of technologies and compliance with statewide priorities;

(d) An educational accountability program to develop an educational indicators system to measure the performance and outcomes of public schools and to ensure efficiency in operations;

(e) Alternative programs for students, including underrepresented groups, at-risk students, and dropouts;

(f) Programs that demonstrate improvement of student performance against valid national and international achievement standards;

(g) Early childhood and parent education which emphasizes child development;

(h) Programs using decisionmaking models that increase involvement of parents, teachers, and students in school management;

(i) Increased involvement of the community in order to achieve increased confidence in and satisfaction with its schools;

(j) Development of magnet or model programs designed to facilitate desegregation;

(k) Programs that address family and social issues impairing the learning productivity of students;

(l) Programs enhancing critical and higher-order thinking capabilities;

(m) Programs which produce the quality of education necessary to guarantee a competitive work force;

(n) Programs designed to increase productivity of staff and students through innovative use of time;

(o) Training programs designed to benefit teachers at all levels of education by increasing their ability to work with educational technology in the classroom; and

(p) Approved programs or services under sections 79-4001 to 79-4004.

The Governor shall establish the Excellence in Education Council. The Governor shall appoint eleven members to the council including representatives of educational organizations, postsecondary educational institutions, the business community, and the general public, members of school boards and parent education associations, school administrators, and at least four teachers who are engaged in classroom teaching. The State Department of Education shall provide staff support for the council. The council shall have the following powers and duties:

(i) In consultation with the State Department of Education, develop and publish criteria for the awarding of grants for programs pursuant to this subsection;

(ii) Provide recommendations to the Governor regarding the selection of projects to be funded and the distribution and duration of project funding;

(iii) Establish standards, formats, procedures, and timelines for the successful implementation of approved programs funded by the Education Innovation Fund;

(iv) Assist school districts in determining the effectiveness of the innovations in programs and practices and measure the subsequent degree of improvement in the quality of education;

(v) Consider the reasonable distribution of funds across the state and all classes of school districts; and

(vi) Provide annual reports to the Governor concerning programs funded by the fund. Each report shall include the number of applicants and approved applicants, an overview of the various programs, objectives, and anticipated outcomes, and detailed reports of the cost of each program.

To assist the council in carrying out its duties, the State Board of Education shall, in consultation with the council, adopt and promulgate rules and regulations establishing criteria, standards, and procedures regarding the selection and administration of programs funded from the Education Innovation Fund.

(3) Recipients of grants from the Education Innovation Fund shall be required to provide, upon request, such data relating to the funded programs and initiatives as the Governor deems necessary.

(4) The Compulsive Gamblers Assistance Fund is hereby created. The fund shall be administered by the Director of the Division on Compulsive Gambling to carry out the purposes of sections 9-804.01 to 9-804.05.

(5) Any money in the State Lottery Operation Trust Fund, the State Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, the Education Innovation Fund, or the Compulsive Gamblers Assistance Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Any money in the State Lottery Operation Revolving Fund on April 20, 1994, shall be transferred to the State Lottery Operation Cash Fund on such date.

(6) Unclaimed prize money on a winning lottery ticket shall be retained for a period of time prescribed by rules and regulations. If no claim is made within such period, the prize money shall be used at the discretion of the Tax Commissioner for any of the purposes prescribed in this section.

Sec. 2. It is the intent of the Legislature that by June 30, 2000, all kindergarten through grade twelve public school districts or affiliated school systems shall have a direct connection to a statewide public computer information network. The costs of such connection may be funded under this section, subsection (2) of section 9-812, section 79-2225, or any combination of such subsection and sections.

The School Technology Fund is created. The fund shall consist of the money transferred to the fund pursuant to section 81-1634 and appropriations made by the Legislature which are received as gifts or grants. The State Board of Education shall authorize the disbursement of the fund as provided in this section. The first priority for the disbursement of the School Technology Fund is the direct connection of each kindergarten through grade twelve public school district or affiliated school system to a statewide public computer information network. Subsequent priorities for disbursement may include, but are not limited to, development of networking capabilities within a district or system, the purchase or installation of equipment, or other telecomputing needs as determined by the State Board of Education. Funds shall be awarded on the basis of need, ability to pay, and the number of buildings in each district or affiliated school system designated by the State Board of Education as suitable for direct connection to a statewide public computer information network. The State Board of Education shall adopt and promulgate rules and regulations to carry out the provisions of this section. Any money in the School Technology Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 3. Section 79-2225, Reissue Revised Statutes of Nebraska, is amended to read:

79-2225. Each educational service unit shall provide, in cooperation with the State Department of Education, access for all school districts within the geographical area served by the unit to telecomputing resources through the installation of necessary equipment at each educational service unit location and shall provide support for training users to meet their specific telecomputing needs. Each educational service unit shall also develop, with the State Department of Education, a plan which provides for connecting the telecomputing equipment of such school districts with the telecomputing equipment of the unit. An amount not to exceed the proceeds of one-half of the five-tenths cent on each one hundred dollars of assessed

valuation, which may be levied for the purposes of this section under section 79-2210, may be used to connect the telecomputing equipment of the school districts to the educational service unit pursuant to the plan adopted by the educational service unit.

The purchase of and planning for equipment and software for the educational service units shall be coordinated by the department and shall be compatible with a statewide plan for telecomputing agreed upon by the Department of Administrative Services and the State Department of Education. Educational service units may enter into agreements pursuant to the Interlocal Cooperation Act to carry out this section. Such agreements may include, but need not be limited to, provisions requiring any school district having telecomputing equipment connected to the educational service unit's telecomputing equipment to pay periodic fees necessary to cover the cost of such usage.

Sec. 4. Section 81-1634, Reissue Revised Statutes of Nebraska, is amended to read:

81-1634. Sections 81-1632 and 81-1633 shall terminate on June 30, 1996. Any money remaining in the School Weatherization Fund on July 1, 1996, shall be transferred to the School Technology Fund. Commencing July 1, 1996, funds received in repayment for energy efficiency loans from the School Weatherization Fund shall be placed in credited to the permanent school fund School Technology Fund, except that for each fiscal year in which there are any outstanding loans, the Legislature shall designate a portion of such funds for use by the State Energy Office to cover the actual cost of administering outstanding loans.

Sec. 5. Original sections 79-2225 and 81-1634, Reissue Revised Statutes of Nebraska, and section 9-812, Revised Statutes Supplement, 1994, are repealed.