

COMMITTEE STATEMENT  
LB 1175

HEARING DATE: February 9,1998

COMMITTEE ON: Education

TITLE: LB 1175 (Education Committee) Change provisions relating to schools

ROLL CALL VOTE - FINAL COMMITTEE ACTION

Advanced to General File

Y Advanced to General File with Amendments

Indefinitely Postponed

Vote Results:

5 Yes Senators Raikes, Bohlke, Beutler, Suttle, Willhoft

0 No

0 Present. not voting

3 Absent Senators Brashear, Stuhr, Wickersham

PROPONENTS

Tammy Barry

Dale DeFriese

REPRESENTING

For the Committee

Holdrege Public Schools

Written:

John Bonaiuto

Mike Dulaney

Nebraska Association of School Boards

Nebraska Council of School Administrators

OPPONENTS

John Recknor

Keith Fagot

Kelley Baker

John Goc

Teresa Myers

Jim Huston

REPRESENTING

Self

Loomis Public Schools

Self

Class I's United

Self

Phelps County R-7

NEUTRAL

Brian Halstead

D'Anne Welch

REPRESENTING

Department of Education

Self

SUMMARY OF PURPOSE AND/OR CHANGES:

Legislative Bill 1175 is the education technical bill for 1998. The major changes are: Convictions that are set aside may be used to deny teacher and administrator certificates. Filings requirements for weather and epidemic school closings are modified. Option transportation is limited to the same basis as resident transportation. The requirement for an assistant commissioner in charge of vocational education is eliminated. Primary high school districts will be considered affected districts when a Class I dissolves or reorganizes. State ward receipts are added to the special education allowance. An allowance is made in the "lop-off"

calculation for prior year adjustments that reduce aid. Motor vehicle tax receipts are added as accountable receipts. Funds budgeted for special education are restricted to special education uses. A deadline of September 1 is created for Class I districts to certify their tax request to the high school districts. Some filing dates for districts and deadlines for the department are modified and data sources are clarified. The bill also updates terminology, corrects references, deletes obsolete provisions, and outright repeals obsolete sections. Sections terminating the special education funding formula and providing for the Nebraska School for the Deaf are outright repealed.

Section 1 amends § 29-2264 by adding that setting aside a conviction does not preclude use of the conviction in determining whether a teacher or administrator's certificate should be denied.

Section 2 amends § 43-2515 by eliminating an inaccurate and unnecessary reference to Program 440.

Section 3 amends § 72-801 by eliminating a reference to § 79-11,108, which is outright repealed.

Section 4 amends § 79-213 by adding that the closing of a school due to an epidemic, severe storm conditions, or the complete destruction of the schoolhouse shall not prevent a district from being accredited. The filing of the oath by the secretary of the board regarding such conditions will be filed only with the State Board. Currently, it is also filed with the county superintendent. The requirement that the filing be made within 10 days is replaced with a requirement that the filing be made if the district is proposing to offer fewer hours than required by law. References to the obsolete term "boards of education" are eliminated.

Section 5 amends § 79-241 by restricting school districts to offering transportation to option students only on the same basis as provided for resident students. Obsolete language is eliminated.

Section 6 amends § 79-245 by replacing a reference to § 79-1018 with § 79-1018.01. Section 791018.01 replaces § 79-1018 beginning with state aid calculated for the 1998-99 school fiscal year. Obsolete language is eliminated.

Section 7 amends § 79-321 by eliminating a requirement for the State Board of Vocational Education to appoint an assistant commissioner of education in charge of vocational education upon the recommendation of the commissioner.

Section 8 amends § 79-413 by providing that the primary high school district shall be considered an affected district when a Class I district is involved in a petition to merge, -dissolve, or change boundaries, notwithstanding any provision in the affiliation petition to the contrary. Appeal procedures pursuant to this section are also applied to all other reorganization statutes.

Section 9 amends § 79-447 by providing that the voters for the approval of a reorganization plan will include the voters in all affected districts.

Section 10 amends § 79-452 by providing that petitions to dissolve Class I or II districts shall not be further voted on after filing unless the board of each affected district also submits a statement that a majority of the board approved the proposal.

Section 11 amends § 79-741 by replacing a reference to the assistant commissioner of education in charge of vocational education with the Commissioner of Education.

Section 12 amends § 79-1003 by eliminating obsolete language and updating terminology to "school fiscal year" and "local system."

A reference to §§ 79-1004 or 79-1005 is replaced by a reference to § 79-1005.01. Section 79-1005.01 replaces §§ 79-1004 and 79-1005 beginning with state aid calculated for the 1998-99 school fiscal year.

A new definition is added for "average daily attendance of a student who resides on Indian land."

The "categorical federal funds" definition is amended by deleting the requirement that the funds be federal and by adding funds from the Education Innovation Fund, and funds from the School Technology Fund to the examples.

The "equalization aid" definition is amended to clarify that the term refers to calculated aid. A reference to § 79-1008 is replaced by a reference to § 79-1008.01. Section 79-1008.01 replaces § 79-1008 beginning with state aid calculated for the 1998-99 school fiscal year.

The "fall membership" definition is amended to reflect that the 'fall school district membership reports are submitted by each district, not the local system.

The "formula students" definition is amended by moving the memberships used in calculating the adjustment to fall membership up one year.

A new definition is added for "free lunch and free milk students."

The general fund budget of expenditures is amended to clarify that special grant funds are not included for the purpose of determining Class I total allowable general fund budgets of expenditures minus the special education budgets of expenditures. The current definition has the exclusion for budget limitation purposes.

A new definition is added for "limited English proficiency students."

The "most recently available complete data year" definition is amended by clarifying that the Nebraska income tax liability is for the calendar year in which the majority of the school fiscal year in which the majority of the school fiscal year falls.

A new definition is added for "school year or school fiscal year."

The "special education allowance" definition is amended by adding state ward receipts and by providing that the special education allowance shall be adjusted for certification by the average annual change for the most recently available complete data year and the preceding two school fiscal years.

A new definition is added for "special grant funds. "

The "state aid" definition is amended by replacing specific statutory references with a general reference to the Tax Equity and Educational Opportunities Support Act.

Section 13 amends § 79-1005.01 by requiring the Tax Commissioner to certify income tax liabilities by November 15 for the preceding tax year, instead of the second preceding tax year.

Section 14 amends § 79-1007.02 to clarify what data sources are used to determine cost groupings. The annual financial reports and annual statistical summary continue to be for the most recently available, complete data year. The fall membership reports and supplements are for the year immediately preceding the year in which aid is to be paid. The school district census is for the second year immediately preceding the year in which aid is to be paid. A new subdivision clarifies that the fall membership report for the immediately preceding school fiscal year will be used in the recalculation of aid for 1998-99.

Section 15 amends § 79-1008.01 by adding the absolute value of any negative prior year adjustment to the maximum aid under the "lop-off" provisions. Amendments also delete a reference to a section that was repealed last session, a reference to a section that is outright repealed by this bill, and other obsolete language. References to district are replaced with references to local systems where appropriate. Language is also added to clarify that small school qualifications apply to distributions under subsection 4, which allow amounts that were not distributed to "lop-off" systems to be distributed first to systems with less than 900 formula students with below average costs.

Section 16 amends § 79-1008.02 by clarifying that the levy used to determine the minimum levy adjustment is the general fund common levy.

Section 17 amends § 79-1009 is amended by deleting obsolete or redundant language and by clarifying that the amount for net option funding is the lesser of the statewide average cost grouping cost per student or the option district's local system cost grouping cost per student.

Section 18 amends § 79-1010 by replacing a reference to § 79-1018 with § 79-1018.01. Section 79-1018.01 replaces § 79-1018 beginning with state aid calculated for the 1998-99 school fiscal year. A reference to district is replaced with references to local systems. School year references are replaced with references to school fiscal years.

Section 19 amends § 79-1015.01 by replacing references to districts with references to local systems where appropriate and by deleting obsolete language.

Section 20 amends § 79-1018.01 by clarifying that receipts for state wards include both special education and non-special education receipts. Motor vehicle tax receipts are also added as accountable receipts. Obsolete language is deleted.

Section 21 amends § 79-1020 by adding a reference to local systems as an entity to which funds may be due.

Section 22 amends § 79-1021 by deleting obsolete language.

Section 23 amends § 79-1022 by deleting obsolete language. A reference to weighted formula membership is replaced with weighted formula students.

Section 24 amends § 79-1023 by clarifying that applicable allowable growth percentages limit the budgets of Class II, III, IV, V, and VI districts, but are local system growth rates. The requirement of a 75% vote to exceed the prior year's expenditures is also limited to Class II, III, IV, V, or VI districts by the amendments.

Section 25 amends § 79-1025 by deleting obsolete language.

Section 26 amends § 79-1026 by moving the date for certification of applicable allowable growth percentages from July 1 to December 1. The percentage is for local systems, but is certified to high school districts. The target budget level will be determined by the adjusted formula students rather than the average daily membership for the most recently available complete data year. The data year for the actual general fund operating expenditures used to compare to the target budget level and determine the applicable growth rate is clarified to be the most recently available complete data year. The term "linear transition" is replaced by "linear interpolation" in the calculation of applicable growth rates. Obsolete language is deleted.

Section 27 amends § 79-1027 by moving the date for certification of the applicable allowable reserve percentage from July 1 to December 1.

Section 79-1028 by clarifying that high school districts may exceed the local system applicable

Section 28 amends § 79 allowable growth rate as provided in the section. Obsolete language is deleted. The term "school year" is replaced with "school fiscal year. "

Section 29 amends § 79-1029 by clarifying that high school districts may exceed the local system applicable allowable growth rate as provided in the section. Obsolete language is deleted. The term "school year" is replaced with "school fiscal year."

Section 30 amends § 79-1030 by clarifying that high school districts may carry over budget authority if expenditures are not increased by the full amount of the local system applicable allowable growth rate.

Section 31 amends § 79-1031 to move the deadline for the department to provide data to the Governor from December 1 to December 15. The requirement for the Governor to establish a basic allowable growth rate and growth range to clarify that they apply to local systems and limit the budgets of high school districts.

Section 32 amends § 79-1032 by replacing membership tier terminology with cost grouping terminology for the duties of the School Finance Review Committee. Equalization adjustments and minimum levy adjustments are added to the review duties. Obsolete provisions are deleted.

Section 33 amends § 79-1033 by replacing (he term "school year" with "school fiscal year."

Section 34 is a new section prohibiting the use of funds budgeted in the special education budget of expenditures for any purpose other than special education.

Section 35 amends § 79-1036 by deleting obsolete language.

Section 36 amends § 79-1065 by replacing the term "year" with "school fiscal year."

Section 37 amends § 79-1067 by clarifying that "year" and "school year" refer to "school fiscal year."

Section 38 amends § 79-1070 by replacing the term "year" with "school fiscal year."

Section 39 amends § 79-1083.02 by clarifying that the determination of the primary high school district is based on the school year immediately preceding the school fiscal year in which aid is to be paid. Obsolete language is deleted.

Section 40 amends § 79-1083.03 by adding a requirement for Class VI's to certify the total allowable general fund budget of expenditures minus - the special education budget of expenditures for their Class I's to the Department of Education on or before April 1. A deadline of December 1 is added for the department to certify the amounts to other Class I's. The term "pupil" is replaced with "formula student" in this determination. The terms "year" and "school year" are replaced with "school fiscal year." Obsolete language is deleted.

A new subsection requires Class I's to certify the general fund tax request to all of their high school districts on or before September 1. The certification shall include the total personal and real property taxes, the county treasurer's fee, the amount of delinquent taxes, and all exclusions to the levy limitations.

Another new subsection requires primary high school districts to certify the approved budget authority for Class I's who are granted additional authority to the department and all other affected districts on or before April 1.

Section 41 amends § 79-1084 by replacing the term "board of education" with "school board" and "fiscal year" with "school fiscal year."

Section 42 amends § 79-1089 by replacing the November 1 audit filing deadline with November 15 and by deleting the term "board of education."

Section 43 amends § 79-1090 by deleting the term "board of education" and replacing the term "fiscal year" with "school fiscal year."

Section 44 amends § 79-1112 by deleting a reference to § 79-1181, which is outright repealed,

Section 46 amends § 79-1132 by replacing the below age 5 special education payment provisions for 7 as nearly as possible equal monthly payments with a minimum of 7 payments.

Section 47 amends § 79-1142 by replacing the school age special education payment provisions for 7 as nearly as possible equal monthly payments with a minimum of 7 payments. A new provision allows additional payments based on valid claims.

Section 48 amends § 79-1185 by deleting a reference to § 79-1187. which is outright repealed.

Section 49 amends § 79-1202 by deleting the language establishing 19 educational service units. The amendments also change the date for distinguishing existing units from new units from July 1, 1998 to January 1, 1998. An unnecessary reference to § 79-1203 is deleted.

Section 50 amends § 79-1212 to delete references to § 79-1214, which is outright repealed.

Section 51 amends § 79-1213 to delete a reference to § 79-1214, which is outright repealed.

Section 52 amends § 79-1215 to delete references to § 79-1214, which is outright repealed.

Section 53 provides that the operative date for sections 8-10 (affected districts), 49-54 (E.S.U.'s), 56 (repealer for these sections), 58 (outright repeal of E.S.U. sections), and 61 (emergency clause) is the effective date

of the act. Due to the emergency clause in section 61, the date is when the Governor signs the bill or the bill becomes law without his signature. Sections 3, 57, and 59 become operative on September 30, 1998. All three sections are related to the outright repeal of Nebraska School for the Deaf requirements. All other sections become operative 3 months after adjournment of the legislative session.

Section 54 contains a severability clause.

Section 55 is the main repealer section.

Section 56 is the repealer section for the amended E.S.U. sections.

Section 17 is the repealer section for a section deleting a reference to an outright repealed section regarding Nebraska School for the Deaf requirements.

Section 58 outright repeals §§ 79-1214 and 79-1203. Section 79-1214 required the reinclusion of counties in educational service units by January 1, 1988. Section 79-1203 specifies which counties are included in each E.S.U., except that the school districts are specified for E.S.U.'s 18 and 19.

Section 59 outright repeals §§ 79-1199 through 79-11,108. These sections provide for and regulate the Nebraska School for the Deaf.

Section 60 outright repeals §§ 79-1005, 79-1007, 79-1008, 79-1011, 79-1012, 79-1014, 79-1015, 79-1017, 79-1018, and 79-1019, which are all obsolete sections in the Tax Equity and Educational Opportunities Support Act. Sections 79-1181, 79-1184, and 79-1187 are also outright repealed. These sections provided for the Special Education Accountability Commission. the termination of the special education funding formula, and an intent to change the special education funding formula.

Section 61, contains an emergency clause.

#### EXPLANATION OF AMENDMENTS, IF ANY:

The Committee amendments add most or the provisions of LBs 711, 940.1008, 1031, 1123, 1133. 1159, 1197, 1210, 1301, 1302. 1304, 1344. Original sections 14, 28, 29, 34, and 42 are removed from the bill. Original sections 8, 9, 10, 12, 15, 16, and 20, 23, 25, 46, 51 are amended along with harmonizing and other grammatical corrections.

Section 8 of the bill is amended to include only Class II, III, IV, or V districts with 50 % or more of the Class I's valuation as new affected districts in Class I reorganizations and dissolutions. For transfers of up to 640 acres, the affiliated high school districts is included in the approval. This change incorporates section 4 of LB 711.

Section 9 of the bill is amended to allow up to 90 days. rather than the current 60, to submit a reorganization plan for election. This change incorporates LB 940.

Section 10 of the bill is amended by replacing the restriction on any further voting on the reorganization petition with the same restriction applied to any further action on the petition.

Section 12 of the bill is amended by clarifying the data year for data in the free lunch and free milk student definition. Another amendment clarifies the data used to determine the special education allowance for the final calculation of aid. The transportation allowance definition is further amended by clarifying the data to be used.

Section 15 of the bill is amended by replacing "district" with "local system" for attributing data following a reorganization.

Section 16 of the bill is amended by clarifying that formula resources are for the local system.

Section 20 of the bill is amended by replacing "district" with "local system" for attributing receipts.

Section 23 of the bill is amended by referencing changes in section 79-1016 that are made in the committee amendment. The section is also amended to require state aid payments for districts receiving less than \$10,000 to be made in one lump sum payment on the last business day of December. The current provisions require state aid to be distributed in 10 as nearly as possible equal payments on the last business day of each month beginning in September and ending in June. Change incorporates LB 1304.

Section 25 of the bill is amended by clarifying that all classes of districts are prohibited from using funds pursuant to the special education budget of expenditures for any purpose other than special education.

Section 26 of the bill is amended by removing the "action" from "general fund operating expenditures" and by removing a reference to the most recently available complete data year.

Section 46 of the bill is amended by deleting obsolete language and by clarifying that special education pro rata requirements for below age 5 services are based on claims submitted. The minimum of seven payments is removed.

Section 51 of the bill is amended by deleting obsolete language.

Section 13-508 is amended to move the deadline from September 20 .0 to August I for Class I districts to file and certify reimbursement of property tax statements, budget statements, and the amount of tax required. Language is also added to recognize the possibility of multiple levying boards. These changes incorporate the intent of LB 1123.

Section 79-209 is amended to require all districts to have a written policy on excessive absenteeism. The policy must state the number of absences, not to exceed the equivalent of 4 days per quarter, which will cause the school to comply with the current duty to render all services to compel the child to attend some public, private, denominational, or parochial school that the person having control of the child chooses in an attempt to remediate the truant behavior. Each district will also be required to have a written policy describing notification of habitual truancy to the county attorney. Number of absences in the policy shall not exceed the equivalent of 20 days per year. These changes incorporate the provisions of LB 1344.

Section 79-237 is amended to extend the deadline for option enrollment applications from January 1 to March 1. The deadline for the option district to provide the resident district with the name of the applicant is extended from January 15 to March 15. The deadline for notifying the parents. the resident district, and the Department of Education as to whether the application is accepted or rejected is extended from April I to April 15. For students who option out of a district with a desegregation plan, the deadline for the resident district to accept or reject the application to option out of the district is moved from February 1 to April 1. A new subsection allows

school boards to designate the Superintendent or other administrator to carry out the duties specified by statute as belonging to the board regarding the option program. Changes incorporate Sec. 2 of LB 711.

Section 79-240 is amended to allow option enrollment deadlines to be extended, but not waived, upon agreement of the school boards of the resident and option districts. The extension date shall not be any later than the first day of the school year for which the application seeks enrollment. Currently, the deadlines may be waived upon agreement of both school boards. A new subdivision allows parents who relocate to a different school district after the deadlines to have thirty days to make application to the school board of the option district, unless the resident district has a desegregation plan. These changes incorporate Section 3 of LB 711.

Section 79-458 is amended by restructuring the freeholding language for clarification. Additional clarification is added to require the two consecutive years of high school populations below 60 students to be immediately preceding the filing of the petition and to require that the vote to exceed the maximum levy be effective for the school fiscal year when the petition is filed or for the following school fiscal year. An incorrect reference is replaced with a restatement of the high school population requirements. Provisions allowing the vote to exceed the levy to be in any year beginning with 1998-99 are replaced with a reference to the clarified requirements.

Section 79-463 is amended to clarify that when land is transferred to another district due to a stream of water or other natural or artificial barriers, the taxes shall be levied and collected in the manner provided for other school taxes, as opposed to other types of taxes. Changes incorporate Section 6 of LB 711.

Section 79-528 is amended to move the filing date up to June 30 from July 15 for the annual statistical summary and the Commissioner of Education is added as a recipient. Currently the document is filed with the county superintendent. A requirement to include the number of 21 year olds on the annual statistical summary is removed. The distinction between resident and nonresident students is removed from the fall membership report requirements and requirements are added for reporting total assessed valuation and such other information as the Commissioner directs. These changes include some of Section 8 of LB 711.

Section 79-602 is amended to allow the department of education to establish where on the windshield the safety inspection sticker and (the minimum equipment standards sticker shall be placed on school buses. Currently the stickers are required to be on the lower inside corner of the driver's side. These changes incorporate Section 10 of LB 711.

Section 79-608 to replace the driving hour restriction for school bus drivers. The new provisions would not allow a bus driver to drive more than 10 hours following 8 consecutive hours off duty or for any period of time after having been on duty 15 hours following 8 consecutive hours off duty. On duty is defined as all of the time from when a driver begins work or is required to be in readiness to work until the time the driver is relieved from work and all responsibility for performing work. The current provisions do not allow bus drivers to drive or remain on duty for more than 16 consecutive hours. Any driver who has been on duty for 16 consecutive hours must have at least 10 consecutive hours off duty. If the driver has been on duty 16 hours in any 24 hour period, they may not go back on duty without have at least eight hours off. These changes incorporate Section 11 of LB 711.

Section 79-808 is amended by requiring the State Board of Education to establish the satisfactory score or scores required for basic skills competency examinations. The requirement for the teacher education institutions to administer the basic skills examinations as a condition of entry into a teacher or administrator program is replaced with a requirement for students to receive a satisfactory score on the examination. The requirement for the

Department to administer the exam for teachers and administrators from outside of Nebraska is also deleted. These changes incorporate some of Section 12 of LB 711.

Section 79-809 is amended by deleting the requirement for subject area examinations in each area for which endorsement is sought. These changes incorporate section 13 of LB 711.

Section 79-1007.01 is amended by replacing the term "adjusted formula membership" with "adjusted formula students." The amendments also provide that for local systems qualifying for the extreme remoteness factor, the total adjusted formula students shall be greater than or equal to 150. The adjustments for the extreme remoteness factor will not be included in the calculation of the average formula cost per student in each cost grouping, but will be included in the calculation of local system formula needs. These changes incorporate LB 1159.

Section 79-1007.02 is amended by clarifying the data years for the information included in the calculation of cost groupings and cost grouping- costs. The amendments also add an alternate set of qualifications for the very sparse cost grouping. For a local system to qualify for the very sparse cost grouping under the new alternate criteria, the local system must have:

- a. more than 450 square miles in the local system;
- b. less than 0.5 students per square mile in the local system; and
- c. more than 15 miles between the high school attendance center and the next closest high school attendance center on paved roads.

For a local system to qualify for the very sparse cost grouping under the existing criteria, the local system must have:

- a. less than 0.5 students per square mile in the county where the high school is located-,
- b. less than 1 student per square mile in the local system;
- c. more than 15 miles between the high school attendance center and the next closest high school attendance center on paved roads.

Cross references to Lie provisions regarding the extreme remoteness factor in section 79-1007.01 are added. The term "adjusted formula membership" is replaced with "adjusted formula students." These changes incorporate LB 1197.

Section 79-1016 is amended to change deadlines for nonappealable request to correct adjusted valuations. Districts and county officials are allowed to file a request with the Property Tax Administrator (PAT) for a nonappealable correction due to clerical error or assessed value changes due to the qualification status for special use valuation. The current deadlines for filing the requests are March 15, 1997 for valuations certified in 1996 and October 31 for each year thereafter. The amendments change the date to March 15, 1998 for valuations certified in 1997. The current deadlines for the PAT to approve or deny the requests are March 31, 1998 and November 30 for each year thereafter. The amendments also apply a May 31 deadline for 1997 valuations. Another appeal procedure with a July 31 date is contained in this section for any type of objection to the adjusted valuations. The procedure that is modified in this bill is limited to the two types of corrections and is basically used only if the errors are discovered or changes in the qualification status occur after the July 31 deadline. Changes incorporate LB 1210.

Section 79-1016 is also amended to allow districts who have state aid postponed due to errors to apply for a lump-sum payment of the postponed aid. The application may be for any amount or any portion. The state board will notify the Director Administrative Services of the lump-sum amount and the reduction in monthly payments. The director shall draw a warrant for the lumpsum amount at the time of the next state aid payment. These changes incorporate LB 1133.

Section 79-10-10,123 is amended by deleting obsolete language.

Section 79-1024 is amended to add-failure to file budgets with the primary high school district on or before August 1 to the acts which require the auditor to report the districts to be Commissioner of Education, require the Commissioner to withhold state aid and to notify the county superintendent to direct the county treasurer to withhold school money. and make the school board liable to the school district for lost funds. The reporting and withholding provisions currently apply to any district that fails to file a budget on or before September 20 pursuant to currently apply to any district that fails to file a budget on or before September 20 pursuant to section 13-503 or that fails to make corrections. These changes incorporate some provisions from LB 1123.

Section 79-10.124 is amended to reduce the site and facilities levy limit for Class I school districts from 17.5 cents to 5 cents. The amendments add the levies for environmental hazards or accessibility barriers pursuant to section 79-10,110 into the limit. New language requires the primary high school district approval to use funds levied under the limits of this section. These changes incorporate LB 1008.

Section 79-1128 is amended by removing a prohibition against office of mental retardation programs using funds from the Special Education Act to match state funds under the provisions of other programs. A requirement for the Commissioner to present a list of districts not providing or contracting for approved special education programs is also removed. These changes incorporate section 14 of LB 711.

Section 79-1177 is amended by allowing the State Board of Education to lease or otherwise contract for the use of property and facilities controlled by the Diagnostic Resource Center at Cozad.

Section 79-1223 is amended to allow educational service units to sell real estate, equipment, supplies, and personal property. No property would be sold, except at a regular meeting of the board and with an affirmative vote of at least 2/3 of all members. These changes incorporate section 16 of LB 711.

Section 79-1310 is amended to include Class VI school systems in the intent to have all K-12 school systems directly connected to a statewide public computer information network and in the first priority for the disbursement of the School Technology Fund. These changes incorporate section 17 of LB 711.

Section 28-3305 is amended by requiring county superintendents to transmit annual statistical summaries by June 15, instead of the current deadline of July 3 1.

Section 85-9,145 is amended by striking requirements for institutions eligible for the Postsecondary Education Award Program Act. The award program provides money to students with financial need attending private not-for-profit institutions located in Nebraska. Currently the institutions must be accredited by a regional accrediting organization recognized by the U.S. Department of Education. With this bill, the institutions would be required to be accredited by any accrediting organization recognized by the U. S. Department of Education. These changes incorporate LB 103 1.

Sections 85 -1102 and 85-1103.01 are amended by modifying the exemption for authorization by the Coordinating Commission for out-of-state institutions. Currently, authorization is not required if the offering is in the nature of a short course or seminar, and instruction for the segment takes not more than twenty classroom hours or is offered solely for military personnel or civilians employed on the installation where the program is offered. The classroom hours limitations are replaced with a determination by the Commission. Section 85-1102 applies to

courses or degree programs offered within the state. Section 85-1103.01 applies to courses or degree programs offered via telecommunications within the state and which will have a physical presence in the state. These changes incorporate part, of LB 13 02.

Section 85-1105 is amended by adding graduate level and professional level private colleges to the Coordinating Commission approval requirements for establishing private colleges. Any private institution authorized to offer an undergraduate program is not required to petition to offer graduate level and professional level private programs. These changes incorporate part of LB 1302.

A new section requires school boards to adopt policies on or before September 1, 1999 for identifying and educating students with limited English proficiency as defined by the U.S. Department of Education. School districts are currently required by federal civil rights laws to identify students with limited English proficiency and provide appropriate education. The policy shall also include criteria and periodic evaluation for determining when students no longer meet the definition of limited English proficiency. On or before December 1, 1998, the state board shall adopt rules and regulations establishing a model policy. The department is given authority to inspect school district records and audit data regarding students with limited English proficiency. If the department finds a discrepancy, the school district shall make a correction. Any discrepancies affecting state aid shall I be corrected for the next certification or recalculation. School districts may appeal such findings to the state board. These changes incorporate the provisions of LB 1301.

Ardyce Bohlke, Chairperson