

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1201

Introduced by Hardin, 48; Conrad, 46.

Read first time January 16, 2024

Committee:

- 1 A BILL FOR AN ACT relating to education; to amend sections 79-1101 and
2 79-1103, Reissue Revised Statutes of Nebraska, and section 79-1003,
3 Revised Statutes Cumulative Supplement, 2022; to redefine terms
4 under the Tax Equity and Educational Opportunities Support Act; to
5 change provisions relating to the Early Childhood Education Grant
6 Program; to change legislative intent relating to early childhood
7 education programs; to harmonize provisions; and to repeal the
8 original sections.
- 9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-1003, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 79-1003 For purposes of the Tax Equity and Educational Opportunities
4 Support Act:

5 (1) Adjusted general fund operating expenditures means the
6 difference of the general fund operating expenditures increased by the
7 cost growth factor calculated pursuant to section 79-1007.10, minus the
8 transportation allowance, special receipts allowance, poverty allowance,
9 limited English proficiency allowance, distance education and
10 telecommunications allowance, elementary site allowance, summer school
11 allowance, community achievement plan allowance, and focus school and
12 program allowance;

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

23 (3) Allocated income tax funds means the amount of assistance paid
24 to a local system pursuant to section 79-1005.01;

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

30 (5) Base fiscal year means the first school fiscal year following
31 the school fiscal year in which the reorganization or unification

1 occurred;

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

3 (7) Categorical funds means funds limited to a specific purpose by
4 federal or state law, including, but not limited to, Title I funds, Title
5 VI funds, federal career and technical education funds, federal school
6 lunch funds, Indian education funds, Head Start funds, and funds received
7 prior to July 1, 2022, from the Nebraska Education Improvement Fund;

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

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

19 (10) Converted contract option student means a student who will be
20 an option student pursuant to the enrollment option program established
21 in section 79-234 for the school fiscal year for which aid is being
22 calculated and who would have been covered by a converted contract if the
23 contract were still in effect and such school fiscal year is the first
24 school fiscal year for which such contract is not in effect;

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

26 (12) District means any school district or unified system as defined
27 in section 79-4,108;

28 (13) Ensuing school fiscal year means the school fiscal year
29 following the current school fiscal year;

30 (14) Equalization aid means the amount of assistance calculated to
31 be paid to a local system pursuant to section 79-1008.01;

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

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

7 (17) Formula students means:

8 (a) For state aid certified pursuant to section 79-1022, the sum of
9 the product of fall membership from the school fiscal year immediately
10 preceding the school fiscal year in which the aid is to be paid
11 multiplied by the average ratio of average daily membership to fall
12 membership for the second school fiscal year immediately preceding the
13 school fiscal year in which the aid is to be paid and the prior two
14 school fiscal years plus sixty percent of the qualified early childhood
15 education fall membership plus tuitioned students from the school fiscal
16 year immediately preceding the school fiscal year in which aid is to be
17 paid minus the product of the number of students enrolled in kindergarten
18 that is not full-day kindergarten from the fall membership multiplied by
19 0.5; and

20 (b) For the final calculation of state aid pursuant to section
21 79-1065, the sum of average daily membership plus sixty percent of the
22 qualified early childhood education average daily membership plus
23 tuitioned students minus the product of the number of students enrolled
24 in kindergarten that is not full-day kindergarten from the average daily
25 membership multiplied by 0.5 from the school fiscal year immediately
26 preceding the school fiscal year in which aid was paid;

27 (18) Free lunch and free milk calculated students means, using the
28 most recent data available on November 1 of the school fiscal year
29 immediately preceding the school fiscal year in which aid is to be paid,

30 (a) for schools that did not provide free meals to all students pursuant
31 to the community eligibility provision, students who individually

1 qualified for free lunches or free milk pursuant to the federal Richard
2 B. Russell National School Lunch Act, 42 U.S.C. 1751 et seq., and the
3 federal Child Nutrition Act of 1966, 42 U.S.C. 1771 et seq., as such acts
4 and sections existed on January 1, 2021, and rules and regulations
5 adopted thereunder, plus (b) for schools that provided free meals to all
6 students pursuant to the community eligibility provision, the greater of
7 the number of students in such school who individually qualified for free
8 lunch or free milk using the most recent school fiscal year for which the
9 school did not provide free meals to all students pursuant to the
10 community eligibility provision or one hundred ten percent of the product
11 of the students who qualified for free meals at such school pursuant to
12 the community eligibility provision multiplied by the identified student
13 percentage calculated pursuant to such federal provision, except that the
14 free lunch and free milk calculated students for any school pursuant to
15 subdivision (18)(b) of this section shall not exceed one hundred percent
16 of the students qualified for free meals at such school pursuant to the
17 community eligibility provision;

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

20 (20) General fund budget of expenditures means the total budget of
21 disbursements and transfers for general fund purposes as certified in the
22 budget statement adopted pursuant to the Nebraska Budget Act, except that
23 for purposes of the limitation imposed in section 79-1023, the general
24 fund budget of expenditures does not include any special grant funds,
25 exclusive of local matching funds, received by a district;

26 (21) General fund expenditures means all expenditures from the
27 general fund;

28 (22) General fund operating expenditures means, for state aid
29 calculated for each school fiscal year, as reported on the annual
30 financial report for the second school fiscal year immediately preceding
31 the school fiscal year in which aid is to be paid, the total general fund

1 expenditures minus (a) the amount of all receipts to the general fund, to
2 the extent that such receipts are not included in local system formula
3 resources, from early childhood education tuition, summer school tuition,
4 educational entities as defined in section 79-1201.01 for providing
5 distance education courses through the Educational Service Unit
6 Coordinating Council to such educational entities, private foundations,
7 individuals, associations, charitable organizations, the textbook loan
8 program authorized by section 79-734, federal impact aid, and levy
9 override elections pursuant to section 77-3444, (b) the amount of
10 expenditures for categorical funds, tuition paid to other school
11 districts, tuition paid to postsecondary institutions for college credit,
12 transportation fees paid to other districts, adult education, community
13 services, redemption of the principal portion of general fund debt
14 service, retirement incentive plans authorized by section 79-855, and
15 staff development assistance authorized by section 79-856, (c) the amount
16 of any transfers from the general fund to any bond fund and transfers
17 from other funds into the general fund, (d) any legal expenses in excess
18 of fifteen-hundredths of one percent of the formula need for the school
19 fiscal year in which the expenses occurred, (e) expenditures to pay for
20 incentives agreed to be paid by a school district to certificated
21 employees in exchange for a voluntary termination of employment for which
22 the State Board of Education approved an exclusion pursuant to
23 subdivision (1)(h), (i), (j), or (k) of section 79-1028.01, (f)(i)
24 expenditures to pay for employer contributions pursuant to subsection (2)
25 of section 79-958 to the School Employees Retirement System of the State
26 of Nebraska to the extent that such expenditures exceed the employer
27 contributions under such subsection that would have been made at a
28 contribution rate of seven and thirty-five hundredths percent or (ii)
29 expenditures to pay for school district contributions pursuant to
30 subdivision (1)(c)(i) or (1)(d)(i) of section 79-9,113 to the retirement
31 system established pursuant to the Class V School Employees Retirement

1 Act to the extent that such expenditures exceed the school district
2 contributions under such subdivision that would have been made at a
3 contribution rate of seven and thirty-seven hundredths percent, and (g)
4 any amounts paid by the district for lobbyist fees and expenses reported
5 to the Clerk of the Legislature pursuant to section 49-1483.

6 For purposes of this subdivision (22) of this section, receipts from
7 levy override elections shall equal ninety-nine percent of the difference
8 of the total general fund levy minus a levy of one dollar and five cents
9 per one hundred dollars of taxable valuation multiplied by the assessed
10 valuation for school districts that have voted pursuant to section
11 77-3444 to override the maximum levy provided pursuant to section
12 77-3442;

13 (23) Income tax liability means the amount of the reported income
14 tax liability for resident individuals pursuant to the Nebraska Revenue
15 Act of 1967 less all nonrefundable credits earned and refunds made;

16 (24) Income tax receipts means the amount of income tax collected
17 pursuant to the Nebraska Revenue Act of 1967 less all nonrefundable
18 credits earned and refunds made;

19 (25) Limited English proficiency students means the number of
20 students with limited English proficiency in a district from the most
21 recent data available on November 1 of the school fiscal year preceding
22 the school fiscal year in which aid is to be paid plus the difference of
23 such students with limited English proficiency minus the average number
24 of limited English proficiency students for such district, prior to such
25 addition, for the three immediately preceding school fiscal years if such
26 difference is greater than zero;

27 (26) Local system means a unified system or a school district;

28 (27) Low-income child means a child under nineteen years of age
29 living in a household having an annual adjusted gross income for the
30 second calendar year preceding the beginning of the school fiscal year
31 for which aid is being calculated equal to or less than the maximum

1 household income pursuant to sections 9(b)(1) and 17(c)(4) of the Richard
2 B. Russell National School Lunch Act, 42 U.S.C. 1758(b)(1) and 42 U.S.C.
3 1766(c)(4), respectively, and sections 3(a)(6) and 4(e)(1)(A) of the
4 Child Nutrition Act of 1966, 42 U.S.C. 1772(a)(6) and 42 U.S.C. 1773(e)
5 (1)(A), respectively, as such acts and sections existed on January 1,
6 2021, for a household of that size that would have allowed the child to
7 meet the income qualifications for free meals during the school fiscal
8 year immediately preceding the school fiscal year for which aid is being
9 calculated;

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

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

20 (30) Poverty students means the unadjusted poverty students plus the
21 difference of such unadjusted poverty students minus the average number
22 of poverty students for such district, prior to such addition, for the
23 three immediately preceding school fiscal years if such difference is
24 greater than zero;

25 (31) Qualified early childhood education average daily membership
26 means the product of the average daily membership of students who will be
27 eligible or required to attend kindergarten the following school year and
28 are enrolled in an early childhood education program approved by the
29 department pursuant to section 79-1103 for such school district for such
30 school year multiplied by the ratio of the actual instructional hours of
31 the program divided by one thousand thirty-two if: (a) The program is

1 receiving a grant pursuant to such section for the third year; (b) the
2 program has already received grants pursuant to such section for three
3 years; or (c) the program has been approved pursuant to subsection (5) of
4 section 79-1103 for such school year and the two preceding school years,
5 including any such students in portions of any of such programs receiving
6 an expansion grant;

7 (32) Qualified early childhood education fall membership means the
8 product of membership on October 1 of each school year of students who
9 will be eligible or required to attend kindergarten the following school
10 year and are enrolled in an early childhood education program approved by
11 the department pursuant to section 79-1103 for such school district for
12 such school year multiplied by the ratio of the planned instructional
13 hours of the program divided by one thousand thirty-two if: (a) The
14 program is receiving a grant pursuant to such section for the third year;
15 (b) the program has already received grants pursuant to such section for
16 three years; or (c) the program has been approved pursuant to subsection
17 (5) of section 79-1103 for such school year and the two preceding school
18 years, including any such students in portions of any of such programs
19 receiving an expansion grant;

20 (33) Regular route transportation means the transportation of
21 students on regularly scheduled daily routes to and from the schools such
22 students attend;

23 (34) Reorganized district means any district involved in a
24 consolidation and currently educating students following consolidation;

25 (35) School year or school fiscal year means the fiscal year of a
26 school district as defined in section 79-1091;

27 (36) Sparse local system means a local system that is not a very
28 sparse local system but which meets the following criteria:

29 (a)(i) Less than two students per square mile in the county in which
30 each high school is located, based on the school district census, (ii)
31 less than one formula student per square mile in the local system, and

1 (iii) more than ten miles between each high school and the next closest
2 high school on paved roads;

3 (b)(i) Less than one and one-half formula students per square mile
4 in the local system and (ii) more than fifteen miles between each high
5 school and the next closest high school on paved roads;

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

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

13 (37) Special education means specially designed kindergarten through
14 grade twelve instruction pursuant to section 79-1125, and includes
15 special education transportation;

16 (38) Special grant funds means the budgeted receipts for grants,
17 including, but not limited to, categorical funds, reimbursements for
18 wards of the court, short-term borrowings including, but not limited to,
19 registered warrants and tax anticipation notes, interfund loans,
20 insurance settlements, and reimbursements to county government for
21 previous overpayment. The state board shall approve a listing of grants
22 that qualify as special grant funds;

23 (39) State aid means the amount of assistance paid to a district
24 pursuant to the Tax Equity and Educational Opportunities Support Act;

25 (40) State board means the State Board of Education;

26 (41) State support means all funds provided to districts by the
27 State of Nebraska for the general fund support of elementary and
28 secondary education;

29 (42) Statewide average basic funding per formula student means the
30 statewide total basic funding for all districts divided by the statewide
31 total formula students for all districts;

1 (43) Statewide average general fund operating expenditures per
2 formula student means the statewide total general fund operating
3 expenditures for all districts divided by the statewide total formula
4 students for all districts;

5 (44) Teacher has the definition found in section 79-101;

6 (45) Tuition receipts from converted contracts means tuition
7 receipts received by a district from another district in the most
8 recently available complete data year pursuant to a converted contract
9 prior to the expiration of the contract;

10 (46) Tuitioned students means students in kindergarten through grade
11 twelve of the district whose tuition is paid by the district to some
12 other district or education agency;

13 (47) Unadjusted poverty students means the greater of the number of
14 low-income students or the free lunch and free milk calculated students
15 in a district; and

16 (48) Very sparse local system means a local system that has:

17 (a)(i) Less than one-half student per square mile in each county in
18 which each high school is located based on the school district census,
19 (ii) less than one formula student per square mile in the local system,
20 and (iii) more than fifteen miles between the high school and the next
21 closest high school on paved roads; or

22 (b)(i) More than four hundred fifty square miles in the local
23 system, (ii) less than one-half student per square mile in the local
24 system, and (iii) more than fifteen miles between each high school and
25 the next closest high school on paved roads.

26 Sec. 2. Section 79-1101, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 79-1101 (1) The Legislature finds and declares that: (a) Early
29 childhood education programs can assist children in achieving their
30 potential as citizens, workers, and human beings and can strengthen
31 families; (b) early childhood education has been proven to be a sound

1 public investment of funds not only in assuring productive, taxpaying
2 workers in the economy but also in avoidance of increasingly expensive
3 social costs for those who drop out as productive members of society; (c)
4 the key ingredient in an effective early childhood education program is a
5 strong family development and support component because the role of the
6 parent is of critical importance; (d) while all children can benefit from
7 quality, developmentally appropriate early childhood education
8 experiences, such experiences are especially important for at-risk
9 infants and children; (e) current early childhood education programs
10 serve only a fraction of Nebraska's children and the quality of current
11 programs varies widely; (f) well-designed early childhood education
12 programs increase the likelihood that children who participate will enter
13 school prepared to achieve high standards; (g) effective early childhood
14 education programs require staff with knowledge about child growth,
15 development, and learning and family systems; and (h) both public and
16 nonpublic programs which meet recognized standards of quality can address
17 the growth, development, and learning needs of young children.

18 (2) (2)(a) It is the intent of the Legislature and the public policy
19 of this state to encourage schools and community-based organizations to
20 work together to provide high-quality early childhood education programs
21 for infants and young children which include family involvement, with the
22 goal of assuring that every family in Nebraska has access to such
23 programs for, at the minimum, both the school year prior to the school
24 year for which the child will be eligible to attend kindergarten and the
25 school year prior to the school year for which the child will be required
26 to attend kindergarten if such child has not already enrolled in
27 kindergarten. The purposes of sections 79-1101 to 79-1104.05 are to
28 provide state assistance to selected school districts, cooperatives of
29 school districts, and educational service units for early childhood
30 education, to encourage coordination between public and private service
31 providers of early childhood education and child care programs, and to

1 provide state support for efforts to improve training opportunities for
2 staff in such programs.

3 ~~(b) It is the further intent of the Legislature that any additional~~
4 ~~funds appropriated on or after January 1, 2014, for FY2014-15 for early~~
5 ~~childhood education grants pursuant to section 79-1103 be used to assist~~
6 ~~schools and community-based organizations in working together to expand~~
7 ~~the access to such high-quality early childhood education programs for~~
8 ~~children for the school year prior to the school year for which the child~~
9 ~~will be eligible to attend kindergarten and that the unobligated balance~~
10 ~~of any such funds be reappropriated for such purpose for FY2015-16 and~~
11 ~~FY2016-17.~~

12 (3) For purposes of sections 79-1101 to 79-1104.05:

13 (a) Board of trustees means the Early Childhood Education Endowment
14 Board of Trustees;

15 (b) Early childhood education program means any prekindergarten
16 part-day or full-day program or in-home family support program with a
17 stated purpose of promoting social, emotional, intellectual, language,
18 physical, and aesthetic development and learning for children from birth
19 to compulsory kindergarten-entrance age and family development and
20 support;

21 (c) Endowment agreement means an agreement between the State
22 Department of Education and an endowment provider entered into pursuant
23 to section 79-1104.01; and

24 (d) Endowment provider means an endowment that has met the criteria
25 described in section 79-1104.01 and that has entered into an endowment
26 agreement.

27 Sec. 3. Section 79-1103, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 79-1103 (1)(a) The State Department of Education shall establish and
30 administer the Early Childhood Education Grant Program. Upon the
31 effective date of an endowment agreement, administration of the Early

1 Childhood Education Grant Program with respect to programs for children
2 from birth to age three shall transfer to the board of trustees. If there
3 is no endowment agreement in effect, the department shall request
4 proposals in accordance with this section for all early childhood
5 education programs from school districts, individually or in cooperation
6 with other school districts or educational service units, working in
7 cooperation with existing nonpublic programs which meet the requirements
8 of subsection (2) of section 79-1104. If there is an endowment agreement
9 in effect, the board of trustees shall administer the Early Childhood
10 Education Grant Program with respect to programs for children from birth
11 to age three pursuant to section 79-1104.02 and the department shall
12 continue to administer the Early Childhood Education Grant Program with
13 respect to other prekindergarten programs pursuant to sections 79-1101 to
14 79-1104.05. All administrative procedures of the board of trustees,
15 including, but not limited to, rules, grant applications, and funding
16 mechanisms, shall harmonize with those established by the department for
17 other prekindergarten programs.

18 (b) The first priority shall be for (i) continuation grants for
19 programs that received grants in the prior school fiscal year and for
20 which the state aid calculation pursuant to the Tax Equity and
21 Educational Opportunities Support Act does not include early childhood
22 education students, in an amount equal to the amount of such grant,
23 except that if the grant was a first-year grant the amount shall be
24 reduced by thirty-three percent, (ii) continuation grants for programs
25 for which the state aid calculation pursuant to the act includes early
26 childhood education students, in an amount equal to the amount of the
27 grant for the school fiscal year prior to the first school fiscal year
28 for which early childhood education students were included in the state
29 aid calculation for the school district's local system minus the
30 calculated state aid amount, and (iii) for school fiscal year 2007-08,
31 continuation grants for programs for which the state aid calculation

1 pursuant to the act includes early childhood education students, but such
2 state aid calculation does not result in the school district receiving
3 any equalization aid, in an amount equal to the amount of the grant
4 received in school fiscal year 2006-07. The calculated state aid amount
5 shall be calculated by multiplying the basic funding per formula student
6 for the school district by the formula students attributed to the early
7 childhood education programs pursuant to the Tax Equity and Educational
8 Opportunities Support Act.

9 (c) The second priority shall be for new grants and expansion grants
10 for programs that will serve at-risk children who will be eligible or
11 required to attend kindergarten the following school year. New grants may
12 be given for up to three years in an amount up to one-half of the total
13 budget of the program per year. Expansion grants may be given for one
14 year in an amount up to one-half of the budget for expanding the capacity
15 of the program to serve additional children.

16 (d) The third priority shall be for new grants, expansion grants,
17 and continuation grants for programs serving children younger than those
18 who will be eligible or required to attend kindergarten the following
19 school year. New grants may be given for up to three years in an amount
20 up to one-half the total budget of the program per year. Expansion grants
21 may be given for one year in an amount up to one-half the budget for
22 expanding the capacity of the program to serve additional children.
23 Continuation grants under this priority may be given annually in an
24 amount up to one-half the total budget of the program per year minus any
25 continuation grants received under the first priority.

26 (e) Programs serving children who will be eligible or required to
27 attend kindergarten the following school year shall be accounted for
28 separately for grant purposes from programs serving younger children, but
29 the two types of programs may be combined within the same classroom to
30 serve multi-age children. Programs that receive grants for school fiscal
31 years prior to school fiscal year 2005-06 to serve both children who will

1 be eligible or required to attend kindergarten the following school year
2 and younger children shall account for the two types of programs
3 separately for grant purposes beginning with school year 2005-06 and
4 shall be deemed to have received grants prior to school fiscal year
5 2005-06 for each year that grants were received for the types of programs
6 representing the age groups of the children served.

7 (2) Each program proposal which is approved by the department shall
8 include (a) a planning period, (b) an agreement to participate in
9 periodic evaluations of the program to be specified by the department,
10 (c) evidence that the program will be coordinated or contracted with
11 existing programs, including those listed in subdivision (d) of this
12 subsection and nonpublic programs which meet the requirements of
13 subsection (2) of section 79-1104, (d) a plan to coordinate and use a
14 combination of local, state, and federal funding sources, including, but
15 not limited to, programs for children with disabilities below six ~~five~~
16 years of age funded through the Special Education Act, the Early
17 Intervention Act, funds available through the flexible funding provisions
18 under the Special Education Act, the federal Head Start program, 42
19 U.S.C. 9831 et seq., the federal Even Start Family Literacy Program, 20
20 U.S.C. 6361 et seq., Title I of the federal Improving America's Schools
21 Act of 1994, 20 U.S.C. 6301 et seq., and child care assistance through
22 the Department of Health and Human Services, (e) a plan to use sliding
23 fee scales and the funding sources included in subdivision (d) of this
24 subsection to maximize the participation of economically and
25 categorically diverse groups and to ensure that participating children
26 and families have access to comprehensive services, (f) the establishment
27 of an advisory body which includes families and community members, (g)
28 the utilization of appropriately qualified staff, (h) an appropriate
29 child-to-staff ratio, (i) appropriate group size, (j) compliance with
30 minimum health and safety standards, (k) appropriate facility size and
31 equipment, (l) a strong family development and support component

1 recognizing the central role of parents in their children's development,
2 (m) developmentally and culturally appropriate curriculum, practices, and
3 assessment, (n) sensitivity to the economic and logistical needs and
4 circumstances of families in the provision of services, (o) integration
5 of children of diverse social and economic characteristics, (p) a sound
6 evaluation component, including at least one objective measure of child
7 performance and progress, (q) continuity with programs in kindergarten
8 and elementary grades, (r) instructional hours that are similar to or
9 less than the instructional hours for kindergarten except that a summer
10 session may be offered, (s) well-defined language development and early
11 literacy emphasis, including the involvement of parents in family
12 literacy activities, (t) a plan for ongoing professional development of
13 staff, and (u) inclusion of children with disabilities as defined in the
14 Special Education Act, all as specified by rules and regulations of the
15 department in accordance with sound early childhood educational practice.

16 (3) The department shall make an effort to fund programs widely
17 distributed across the state in both rural and urban areas.

18 (4) The department, in collaboration with the board of trustees if
19 an endowment agreement is in effect, shall provide a report evaluating
20 the programs to the State Board of Education and the Legislature by
21 January 1 of each odd-numbered year. The report submitted to the
22 Legislature shall be submitted electronically. The Education Committee of
23 the Legislature shall hold a public hearing regarding the report. Up to
24 five percent of the total appropriation for the Early Childhood Education
25 Grant Program for grants administered by the department may be reserved
26 by the department for evaluation and technical assistance for the
27 programs.

28 (5) Early childhood education programs, whether established pursuant
29 to this section or section 79-1104, may be approved for purposes of the
30 Tax Equity and Educational Opportunities Support Act, expansion grants,
31 and continuation grants on the submission of a continuation plan

1 demonstrating that the program will meet the requirements of subsection
2 (2) of this section and a proposed operating budget demonstrating that
3 the program will receive resources from other sources equal to or greater
4 than the sum of any grant received pursuant to this section for the prior
5 school year plus any calculated state aid as calculated pursuant to
6 subsection (1) of this section for the prior school year.

7 (6) The State Board of Education may adopt and promulgate rules and
8 regulations to implement the Early Childhood Education Grant Program,
9 except that if there is an endowment agreement in effect, the board of
10 trustees shall recommend any rules and regulations relating specifically
11 to the Early Childhood Education Grant Program with respect to programs
12 for children from birth to age three. It is the intent of the Legislature
13 that the rules and regulations for programs for children from birth to
14 age three be consistent to the greatest extent possible with those
15 established for other prekindergarten programs.

16 Sec. 4. Original sections 79-1101 and 79-1103, Reissue Revised
17 Statutes of Nebraska, and section 79-1003, Revised Statutes Cumulative
18 Supplement, 2022, are repealed.