

Nebraska Early Childhood Education Endowment for Birth-to-Age 3 Services for At-Risk Children Statewide

LB 1256, legislation passed in the 2006 Legislative Session, establishes an Early Childhood Education Endowment to fund quality Birth-to-3 services for at-risk children all across Nebraska. The legislation establishes a public-private partnership to support the Endowment.

Funding partnership: The State designates earnings (approximately \$2 million in interest) from a \$40 million endowment fund, and the private endowment provider designates earnings (approximately \$1 million in interest) from a \$20 million endowment funded by donations from private entities.

- Until July 1, 2007, the State funding is designated as earnings from \$40 million in the state cash reserve fund. After July 1, 2007, funding would be generated from the state perpetual funds dedicated to the common schools, if Constitutional Amendment #5 is passed in the November 2006 general election.
- For the private funding, NDE will contract with a private endowment provider that leverages \$20 million for earnings of approximately \$1 million.

Decision-making partnership: An Early Childhood Board of Trustees will be established and will include the Commissioner of Education or designee, the Director of Health and Human Services or designee, and four Governor-appointed members which include two persons nominated by the endowment provider, one early childhood professional representing an urban at-risk area, and one early childhood professional representing a rural at-risk area.

The Board of Trustees will recommend rules and regulations for the Birth-to-3 grant program to the State Board of Education for adoption and will administer the grant program.

Grants will be awarded to school districts and educational service units to partner with local agencies or programs in their communities for Birth-to-3 services for at-risk children. Grants will be competitive and will require a match of at least 50% of the total program costs. Grants will have requirements that harmonize with current early childhood education program grants issued by Nebraska Department of Education

LB 1006, legislation also passed in the 2006 Legislative Session, creates a Constitutional Amendment related to the perpetual funds dedicated to the common schools as follows:

- Adds early childhood education to the educational purposes for which the fund can be used;
- Defines early childhood education as programs for children from birth to kindergarten-entrance age;
- Establishes an early childhood education endowment fund of \$40 million; and
- Designates that only the interest or income from the endowment fund can be appropriated for early childhood education programs.

A public vote for approval of the Constitutional Amendment # 5 is required to pass the amendment. The amendment will be on the general election ballot in November 2006.