

STATE OF NEBRASKA  
STATE TREASURER



Joey Spellerberg  
State Treasurer  
treasurer.nebraska.gov

State Capitol, Suite 2005  
Lincoln, NE 68509  
402-471-2455

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Pursuant to the reporting requirements of [Legislative Bill 1402](#) (2024), my office is submitting the following information regarding Nebraska's education scholarship program, as required by the statute prior to the law's repeal via [Referendum Measure 435](#) (2024).

While the statutory mandate for this report was technically removed following the law's repeal, I am providing this data to ensure full transparency and accountability for the public funds utilized during the program's operation.

### **Historical Context**

Enacted by the Legislature in 2024, LB 1402 provided \$10 million annually to fund education scholarships to pay all or part of the cost to educate eligible students attending non-governmental, privately operated elementary and secondary schools in Nebraska. Ultimately, the scholarship program created by the enacted bill was repealed in November 2024 by Nebraska voters through Referendum Measure 435.

### **Policies and Procedures for Awarding Scholarships**

Under LB 1402, the State Treasurer established a private school scholarship program that prioritized existing recipients from the Opportunity Scholarships Act and their siblings. Following this initial priority, scholarships were awarded based on a tiered system that accounted for household income levels and specific student needs.

Priority was subsequently granted to students from households at or below 185% of the federal poverty level (FPL), as well as students in specific circumstances, such as those with individualized education programs, those experiencing bullying, children in foster care, or students from military families.

Lower priority tiers extended eligibility to students from households with incomes up to 213% of the FPL and up to 300% of the income limit for the federal reduced-price meal program.

To ensure fiscal responsibility and broad access, individual scholarships could not exceed the actual cost of education at the student's chosen school. The average of all awards was required to remain at or below 75% of the statewide average general fund operating expenditures per student.

## **Reporting Metrics Required by LB 1402**

- Number of eligible students receiving education scholarships in the most recent fiscal year: **3,965**
- Total amount of education scholarships awarded in the most recent fiscal year: **\$9,215,700**
- Number of eligible students on wait-list or denied an education scholarship and the reason for the wait-listing or denial:
  - 531 due to enrollment not verified and/or never completed sign-up.
  - 126 due to enrollment status listed as “closed” or “denied.”
  - 893 due to being not qualified under the statutory guidelines.

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**Total: 1,550**

- Demographic information of eligible students receiving education scholarships:
  - Family income:
    - Income level at or below 185% FPL: **2,334**
    - Income level 186% to 213% FPL: **380**
    - Income level exceeding 213% FPL: **1,251**
  - Grade level of eligible students receiving education scholarships:
    - Grades K-5: **2,133**
    - Grades 6-8: **862**
    - Grades 9-12: **970**
  - Geographic location of schools receiving education scholarship funds:
    - Lincoln: **17 schools**
    - Omaha: **37 schools**
    - Other: **76 schools**

This concludes our report on LB 1402. Please contact my office at 402-471-2455 with questions.