

AMENDMENTS TO LB 342

Introduced by Education

1           1. Strike the original sections and insert the following  
2 new sections:

3           Section 1. Sections 1 to 29 of this act shall be  
4 known and may be cited as the Community College Foundation and  
5 Equalization Aid Act.

6           Sec. 2. The Community College Foundation and Equalization  
7 Aid Fund is created. The fund shall be used to provide state  
8 aid to community college areas pursuant to the Community College  
9 Foundation and Equalization Aid Act. Any money in the Community  
10 College Foundation and Equalization Aid Fund available for  
11 investment shall be invested by the state investment officer  
12 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
13 State Funds Investment Act.

14           Sec. 3. For the purposes of the Community College  
15 Foundation and Equalization Aid Act, the definitions found in  
16 sections 4 to 20 of this act apply.

17           Sec. 4. Average revenue remainder allowance means the  
18 amount calculated pursuant to subdivision (2)(a) of section 23 of  
19 this act.

20           Sec. 5. Base growth factor means the base limitation  
21 described in section 77-3446 plus one-half percent.

22           Sec. 6. Base revenue need means the amount calculated  
23 pursuant to section 23 of this act.

1           Sec. 7. Community college area has the definition found  
2 in section 85-1503.

3           Sec. 8. Equalization aid means the amount calculated  
4 pursuant to section 25 of this act.

5           Sec. 9. Formula base revenue means the base growth factor  
6 plus one, times the total prior year revenue for all community  
7 college areas.

8           Sec. 10. Full-time equivalent student has the definition  
9 found in section 85-1503.

10          Sec. 11. Local effort rate means the rate applied for the  
11 determination of total formula resources pursuant to section 24 of  
12 this act.

13          Sec. 12. Prior year revenue means the total of property  
14 taxes, state aid, and tuition and fees collected in the fiscal  
15 year immediately preceding the fiscal year for which aid is being  
16 calculated.

17          Sec. 13. Reimbursable educational unit has the definition  
18 found in section 85-1503.

19          Sec. 14. Reimbursable educational unit aid equals  
20 reimbursable educational unit need.

21          Sec. 15. Reimbursable educational unit need equals the  
22 amount calculated in subdivision (2)(c) of section 23 of this act.

23          Sec. 16. Revenue remainder allowance means the amount  
24 calculated pursuant to subdivision (2)(d) of section 23 of this  
25 act.

26          Sec. 17. State foundation amount means the amount  
27 calculated pursuant to subdivision (2)(e) of section 23 of this

1 act.

2           Sec. 18. State foundation percentage equals thirty  
3 percent.

4           Sec. 19. System foundation aid means system foundation  
5 need.

6           Sec. 20. System foundation need means the amount  
7 calculated pursuant to subdivision (2)(f) of section 23 of this  
8 act.

9           Sec. 21. The Coordinating Commission for Postsecondary  
10 Education shall annually collect data from each community college  
11 area and maintain such data as necessary to carry out the Community  
12 College Foundation and Equalization Aid Act. Each community college  
13 area shall annually report data necessary to the commission to  
14 carry out the act.

15           Sec. 22. Section 85-1536, Reissue Revised Statutes of  
16 Nebraska, is amended to read:

17           ~~85-1536~~ (1) The Legislature, in an effort to promote  
18 quality postsecondary education and to avoid excessive and  
19 disproportionate taxation upon the taxable property of each  
20 community college area, may appropriate each biennium from such  
21 funds as may be available an amount for aid and assistance to the  
22 community colleges. The Legislature recognizes that education, as  
23 an investment in human resources, is fundamental to the quality of  
24 life and the economic prosperity of Nebraskans and that aid to the  
25 community colleges furthers these goals. It is the intent of the  
26 Legislature that such appropriations, ~~in particular equalization~~  
27 ~~aid provided in this section and section 85-1536.01,~~ reflect the

1 commitment of the Legislature to join with local governing bodies  
2 in a strong and continuing partnership to further advance the  
3 quality, responsiveness, access, and equity of Nebraska's community  
4 colleges and to foster high standards of performance and service  
5 so that every citizen, community, and business will have the  
6 opportunity to receive quality educational programs and services  
7 regardless of the size, wealth, or geographic location of the  
8 community college area or tribally controlled community college as  
9 defined in section 85-1503 by which that citizen, community, or  
10 business is served. Such funds so appropriated by the Legislature  
11 shall be allocated, adjusted, and distributed to the community  
12 college boards of governors as provided in the Community College  
13 Foundation and Equalization Aid Act. boards by the Department of  
14 Administrative Services as follows:

15           (a) ~~Fifty-two~~ percent of such funds appropriated by  
16 the Legislature for each fiscal year shall be allocated to  
17 the community college areas in the same proportion as the  
18 first one thousand seven hundred seventy-five audited reimbursable  
19 educational units or portion thereof of the three-year average  
20 for each community college area, calculated by taking the average  
21 of the audited reimbursable educational units for the three most  
22 recently completed fiscal years, is to the first one thousand  
23 seven hundred seventy-five audited reimbursable educational units  
24 or portion thereof of the three-year average of all community  
25 college areas combined for such fiscal year;

26           (b) ~~Thirty-eight~~ percent of such funds for each fiscal  
27 year shall be distributed to the community college areas in

1 the same proportion as the three-year average of all audited  
2 reimbursable educational units in excess of one thousand nine  
3 hundred seventy-five for each community college area, calculated  
4 by taking the average of the audited reimbursable educational  
5 units for the three most recently completed fiscal years, is  
6 to the audited reimbursable educational units in excess of one  
7 thousand nine hundred seventy-five for all community college areas,  
8 calculated by taking such average, combined for such fiscal year,  
9 and

10 (c) ~~The balance of such funds for each fiscal year shall~~  
11 ~~be distributed pursuant to section 85-1536.01. Funding for tribally~~  
12 ~~controlled community colleges shall be calculated on the total~~  
13 ~~amount of funds available pursuant to this section and section~~  
14 ~~85-1537.~~

15 (2) The Department of Revenue shall certify aid amounts  
16 pursuant to the act and report such amounts to the Department of  
17 Administrative Services. The Department of Administrative Services  
18 shall distribute the total of such appropriated and allocated funds  
19 from subdivisions (1)(a) and (b) of this section to the boards  
20 of governors in ten as nearly as possible equal monthly payments  
21 between the fifth and twentieth day of each month beginning in  
22 September of each year.

23 (3) The Department of Administrative Services shall  
24 reduce the amount of the distribution to a board of governors  
25 by the amount of funds used by the community college area to  
26 provide a program or capital construction project as such term  
27 is defined in section 85-1402 which has not been approved or has

1 been disapproved by the Coordinating Commission for Postsecondary  
2 Education pursuant to the Coordinating Commission for Postsecondary  
3 Education Act.

4           Sec. 23. (1) The Department of Revenue shall annually  
5 calculate the base revenue need for each community college area as  
6 follows:

7           (a) For fiscal years 2007-08 and 2008-09, base revenue  
8 need for each community college area shall equal the sum of (i)  
9 system foundation need plus (ii) reimbursable educational unit  
10 need plus (iii) the revenue remainder allowance for each community  
11 college area; and

12           (b) For fiscal year 2009-10 and each fiscal year  
13 thereafter, base revenue need for each community college area  
14 shall equal the sum of (i) system foundation need plus (ii)  
15 reimbursable educational unit need plus (iii) the average revenue  
16 remainder allowance.

17           (2) For purposes of the calculation required pursuant to  
18 this section:

19           (a) Average revenue remainder allowance shall equal the  
20 average revenue remainder per full-time equivalent student times  
21 the number of full-time equivalent students for each community  
22 college area;

23           (b) Average revenue remainder per full-time equivalent  
24 student equals the total revenue remainder divided by the total  
25 number of full-time equivalent students in all community college  
26 areas;

27           (c) Reimbursable education unit need for each community

1 college area equals the product of the state foundation amount  
2 times forty percent divided by the total reimbursable education  
3 units of all community college areas times the number of  
4 reimbursable education units attributable to each community college  
5 area;

6 (d) Revenue remainder allowance equals the formula base  
7 revenue attributable to each community college area minus system  
8 foundation need and reimbursable education unit need;

9 (e) State foundation amount equals formula base revenue  
10 times the state foundation percentage; and

11 (f) System foundation need for each community college  
12 area equals the product of the state foundation amount times sixty  
13 percent divided by the number of community college areas.

14 Sec. 24. (1) The Department of Revenue shall calculate  
15 local effort rate by dividing the product of (a) the total of base  
16 revenue need for all community college areas minus (b) the amount  
17 appropriated by the Legislature pursuant to the Community College  
18 Foundation and Equalization Aid Act minus (c) the formula tuition  
19 resources by the total valuation of all community college areas  
20 times one hundred.

21 (2) The department shall calculate the total formula  
22 resources available to each community college area by adding (a)  
23 the yield from local effort rate plus (b) local formula tuition  
24 plus (c) system foundation aid plus (d) reimbursable educational  
25 unit aid.

26 (3) For purposes of the calculation required pursuant to  
27 this section:

1           (a) The yield from local effort rate for each community  
2 college area equals the local effort rate times the valuation  
3 divided by one hundred;

4           (b) Local formula tuition equals the average tuition per  
5 full-time equivalent student attributable to each community college  
6 area;

7           (c) Reimbursable educational unit aid equals reimbursable  
8 educational unit need calculated pursuant to section 23 of this  
9 act; and

10           (d) System foundation aid equals system foundation need  
11 calculated pursuant to section 23 of this act.

12           Sec. 25. Equalization aid for each community college area  
13 shall equal base revenue need attributable to the community college  
14 area minus formula resources attributable to the community college  
15 area, except that equalization aid shall not be less than zero.

16           Sec. 26. Total aid for each community college area shall  
17 equal the sum of such community college area's equalization aid,  
18 foundation aid, and reimbursable educational unit aid.

19           Sec. 27. The maximum levy for each community college  
20 area shall be certified by the Department of Revenue annually and  
21 shall equal one hundred fifteen percent of the local effort rate  
22 calculated pursuant to section 24 of this act plus amounts allowed  
23 pursuant to subsection (2) of section 85-1517.

24           Sec. 28. For fiscal year 2008-09 and for each fiscal  
25 year thereafter, a minimum levy aid reduction shall apply to any  
26 community college area that does not levy at least eighty-five  
27 percent of the local effort rate calculated pursuant to section 24



1 of this act for the fiscal year immediately preceding the fiscal  
2 year for which aid is being calculated.

3 The minimum levy aid reduction shall equal the difference  
4 between the amount of revenue collected by the community college  
5 area as a result of its levy and the amount of revenue that would  
6 have been collected using eighty-five percent of the local effort  
7 rate in the prior fiscal year. The Department of Revenue shall  
8 reduce the amount of aid calculated pursuant to section 26 of this  
9 act by an amount equal to the minimum levy aid reduction.

10 Sec. 29. Section 85-1538, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12 ~~85-1538~~ The Director of Administrative Services shall,  
13 upon notification by the State Treasurer that sufficient funds  
14 are available for payment, draw warrants on vouchers presented by  
15 the budget division of the Department of Administrative Services  
16 against funds appropriated and deliver such warrants to the various  
17 community colleges.

18 Sec. 30. Section 13-518, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 13-518 For purposes of sections 13-518 to 13-522:

21 (1) Allowable growth means (a) for governmental units  
22 other than community colleges, the percentage increase in taxable  
23 valuation in excess of the base limitation established under  
24 section 77-3446, if any, due to improvements to real property as  
25 a result of new construction, additions to existing buildings,  
26 any improvements to real property which increase the value of  
27 such property, and any increase in valuation due to annexation

1 and any personal property valuation over the prior year and (b)  
2 for community colleges, (i) for fiscal years prior to fiscal year  
3 2003-04 and after fiscal year 2004-05, the percentage increase in  
4 excess of the base limitation, if any, in full-time equivalent  
5 students from the second year to the first year preceding the  
6 year for which the budget is being determined, and (ii) for fiscal  
7 year 2003-04 and fiscal year 2004-05, the percentage increase in  
8 full-time equivalent students from the second year to the first  
9 year preceding the year for which the budget is being determined;

10 (2) Capital improvements means (a) acquisition of real  
11 property or (b) acquisition, construction, or extension of any  
12 improvements on real property;

13 (3) Governing body has the same meaning as in section  
14 13-503;

15 (4) Governmental unit means every political subdivision  
16 which has authority to levy a property tax or authority to  
17 request levy authority under section 77-3443 except sanitary and  
18 improvement districts which have been in existence for five years  
19 or less and school districts;

20 (5) Qualified sinking fund means a fund or funds  
21 maintained separately from the general fund to pay for acquisition  
22 or replacement of tangible personal property with a useful life of  
23 five years or more which is to be undertaken in the future but  
24 is to be paid for in part or in total in advance using periodic  
25 payments into the fund. The term includes sinking funds under  
26 subdivision (13) of section 35-508 for firefighting and rescue  
27 equipment or apparatus;

1                   (6) Restricted funds means (a) property tax, excluding  
2 any amounts refunded to taxpayers, (b) payments in lieu of property  
3 taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e)  
4 state aid, (f) transfers of surpluses from any user fee, permit  
5 fee, or regulatory fee if the fee surplus is transferred to fund a  
6 service or function not directly related to the fee and the costs  
7 of the activity funded from the fee, (g) any funds excluded from  
8 restricted funds for the prior year because they were budgeted for  
9 capital improvements but which were not spent and are not expected  
10 to be spent for capital improvements, (h) the tax provided in  
11 sections 77-27,223 to 77-27,227 beginning in the second fiscal year  
12 in which the county will receive a full year of receipts, and (i)  
13 any excess tax collections returned to the county under section  
14 77-1776; and

15                   (7) State aid means:

16                   (a) For all governmental units, state aid paid pursuant  
17 to sections 60-3,202 and 77-3523;

18                   (b) For municipalities, state aid to municipalities  
19 paid pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3,190,  
20 77-27,136, and 77-27,139.04 and insurance premium tax paid to  
21 municipalities;

22                   (c) For counties, state aid to counties paid pursuant  
23 to sections 39-2501 to 39-2520, 47-119.01, 60-3,184 to 60-3,190,  
24 77-27,136, and 77-3618, insurance premium tax paid to counties,  
25 and reimbursements to counties from funds appropriated pursuant to  
26 section 29-3933;

27                   (d) For community colleges, state aid to community

1 colleges paid under ~~sections 85-1536 to 85-1537,~~ the Community  
2 College Foundation and Equalization Aid Act;

3 (e) For natural resources districts, state aid to natural  
4 resources districts paid pursuant to section 77-27,136;

5 (f) For educational service units, state aid appropriated  
6 under section 79-1241; and

7 (g) For local public health departments as defined in  
8 section 71-1626, state aid as distributed under section 71-1628.08.

9 Sec. 31. Section 77-3442, Revised Statutes Cumulative  
10 Supplement, 2006, is amended to read:

11 77-3442 (1) Property tax levies for the support of local  
12 governments for fiscal years beginning on or after July 1, 1998,  
13 shall be limited to the amounts set forth in this section except as  
14 provided in section 77-3444.

15 (2)(a) Except as provided in subdivision (2)(d) of this  
16 section, school districts and multiple-district school systems,  
17 except learning communities and school districts that are members  
18 of learning communities, may levy a maximum levy of one dollar and  
19 five cents per one hundred dollars of taxable valuation of property  
20 subject to the levy.

21 (b) Except as provided in subdivision (2)(d) of this  
22 section, for fiscal year 2008-09 and each fiscal year thereafter,

23 (i) learning communities may levy a maximum levy for the general  
24 fund budgets of member school districts equal to the ratio of the  
25 aggregate difference of one hundred ten percent of the formula  
26 needs as calculated pursuant to section 79-1007.02 minus the amount  
27 of state aid certified pursuant to section 79-1022 and minus the

1 other actual receipts included in local system formula resources  
2 pursuant to section 79-1018.01 for each member school district for  
3 such school fiscal year divided by each one hundred dollars of  
4 taxable property subject to the levy, except that such levy shall  
5 not exceed one dollar and two cents on each one hundred dollars  
6 of taxable property subject to the levy, and (ii) school districts  
7 that are members of learning communities may levy a maximum levy  
8 of the difference of one dollar and two cents on each one hundred  
9 dollars of taxable property subject to the levy minus the learning  
10 community levy pursuant to this subdivision for purposes of such  
11 school district's general fund budget and special building funds.

12 (c) Excluded from the limitations in subdivisions (a) and  
13 (b) of this subsection are amounts levied to pay for sums agreed to  
14 be paid by a school district to certificated employees in exchange  
15 for a voluntary termination of employment and amounts levied  
16 to pay for special building funds and sinking funds established  
17 for projects commenced prior to April 1, 1996, for construction,  
18 expansion, or alteration of school district buildings. For purposes  
19 of this subsection, commenced means any action taken by the school  
20 board on the record which commits the board to expend district  
21 funds in planning, constructing, or carrying out the project.

22 (d) Federal aid school districts may exceed the maximum  
23 levy prescribed by subdivision (2)(a) or (b) of this section  
24 only to the extent necessary to qualify to receive federal aid  
25 pursuant to Title VIII of Public Law 103-382, as such title existed  
26 on September 1, 2001. For purposes of this subdivision, federal  
27 aid school district means any school district which receives ten

1 percent or more of the revenue for its general fund budget from  
2 federal government sources pursuant to Title VIII of Public Law  
3 103-382, as such title existed on September 1, 2001.

4 (e) For school fiscal year 2002-03 through school fiscal  
5 year 2007-08, school districts and multiple-district school systems  
6 may, upon a three-fourths majority vote of the school board of  
7 the school district, the board of the unified system, or the  
8 school board of the high school district of the multiple-district  
9 school system that is not a unified system, exceed the maximum  
10 levy prescribed by subdivision (2)(a) of this section in an amount  
11 equal to the net difference between the amount of state aid that  
12 would have been provided under the Tax Equity and Educational  
13 Opportunities Support Act without the temporary aid adjustment  
14 factor as defined in section 79-1003 for the ensuing school fiscal  
15 year for the school district or multiple-district school system  
16 and the amount provided with the temporary aid adjustment factor.  
17 The State Department of Education shall certify to the school  
18 districts and multiple-district school systems the amount by which  
19 the maximum levy may be exceeded for the next school fiscal year  
20 pursuant to this subdivision (e) of this subsection on or before  
21 February 15 for school fiscal years 2004-05 through 2007-08.

22 (f) For fiscal year 2008-09 and each fiscal year  
23 thereafter, learning communities may levy a maximum levy of two  
24 cents on each one hundred dollars of taxable property subject to  
25 the levy for special building funds for member school districts.

26 (g) For fiscal year 2008-09 and each fiscal year  
27 thereafter, learning communities may levy a maximum levy of one

1 cent on each one hundred dollars of taxable property subject to the  
2 levy for the learning community budget and for projects approved by  
3 the learning community coordinating council.

4 (3) Community colleges may levy a maximum levy calculated  
5 pursuant to the Community College Foundation and Equalization Aid  
6 Act on each one hundred dollars of taxable property subject to  
7 the levy of seven cents, plus amounts allowed under subsection  
8 ~~(7) of section 85-1536.01, except that any community college whose~~  
9 ~~valuation per reported aid equivalent student as defined in section~~  
10 ~~85-1503 was less than eighty-two percent of the average valuation~~  
11 ~~per statewide reimbursable reported aid equivalent total as defined~~  
12 ~~in section 85-1503 for all community colleges for fiscal year~~  
13 ~~1997-98 may levy up to an additional one-half cent for each of~~  
14 ~~fiscal years 2005-06 and 2006-07 upon a three-fourths majority vote~~  
15 ~~of the board.~~

16 (4) Natural resources districts may levy a maximum levy  
17 of four and one-half cents per one hundred dollars of taxable  
18 valuation of property subject to the levy. Natural resources  
19 districts shall also have the power and authority to levy a  
20 tax equal to the dollar amount by which their restricted funds  
21 budgeted to administer and implement ground water management  
22 activities and integrated management activities under the Nebraska  
23 Ground Water Management and Protection Act exceed their restricted  
24 funds budgeted to administer and implement ground water management  
25 activities and integrated management activities for FY2003-04,  
26 not to exceed one cent on each one hundred dollars of taxable  
27 valuation annually on all of the taxable property within the

1 district. In addition, natural resources districts located in a  
2 river basin, subbasin, or reach that has been determined to be  
3 fully appropriated pursuant to section 46-714 or designated as  
4 overappropriated pursuant to section 46-713 by the Department of  
5 Natural Resources shall also have the power and authority to  
6 levy a tax equal to the dollar amount by which their restricted  
7 funds budgeted to administer and implement ground water management  
8 activities and integrated management activities under the Nebraska  
9 Ground Water Management and Protection Act exceed their restricted  
10 funds budgeted to administer and implement ground water management  
11 activities and integrated management activities for FY2005-06, not  
12 to exceed three cents on each one hundred dollars of taxable  
13 valuation on all of the taxable property within the district for  
14 fiscal year 2006-07 and not to exceed two cents on each one  
15 hundred dollars of taxable valuation annually on all of the taxable  
16 property within the district for fiscal years 2007-08 and 2008-09.

17 (5) Educational service units may levy a maximum levy of  
18 one and one-half cents per one hundred dollars of taxable valuation  
19 of property subject to the levy.

20 (6) (a) Incorporated cities and villages which are not  
21 within the boundaries of a municipal county may levy a maximum levy  
22 of forty-five cents per one hundred dollars of taxable valuation  
23 of property subject to the levy plus an additional five cents per  
24 one hundred dollars of taxable valuation to provide financing for  
25 the municipality's share of revenue required under an agreement  
26 or agreements executed pursuant to the Interlocal Cooperation Act  
27 or the Joint Public Agency Act. The maximum levy shall include



1 amounts levied to pay for sums to support a library pursuant  
2 to section 51-201, museum pursuant to section 51-501, visiting  
3 community nurse, home health nurse, or home health agency pursuant  
4 to section 71-1637, or statue, memorial, or monument pursuant to  
5 section 80-202.

6 (b) Incorporated cities and villages which are within the  
7 boundaries of a municipal county may levy a maximum levy of ninety  
8 cents per one hundred dollars of taxable valuation of property  
9 subject to the levy. The maximum levy shall include amounts paid  
10 to a municipal county for county services, amounts levied to pay  
11 for sums to support a library pursuant to section 51-201, a museum  
12 pursuant to section 51-501, a visiting community nurse, home health  
13 nurse, or home health agency pursuant to section 71-1637, or a  
14 statue, memorial, or monument pursuant to section 80-202.

15 (7) Sanitary and improvement districts which have been in  
16 existence for more than five years may levy a maximum levy of forty  
17 cents per one hundred dollars of taxable valuation of property  
18 subject to the levy, and sanitary and improvement districts which  
19 have been in existence for five years or less shall not have  
20 a maximum levy. Unconsolidated sanitary and improvement districts  
21 which have been in existence for more than five years and are  
22 located in a municipal county may levy a maximum of eighty-five  
23 cents per hundred dollars of taxable valuation of property subject  
24 to the levy.

25 (8) Counties may levy or authorize a maximum levy of  
26 fifty cents per one hundred dollars of taxable valuation of  
27 property subject to the levy, except that five cents per one

1 hundred dollars of taxable valuation of property subject to the  
2 levy may only be levied to provide financing for the county's  
3 share of revenue required under an agreement or agreements executed  
4 pursuant to the Interlocal Cooperation Act or the Joint Public  
5 Agency Act. The maximum levy shall include amounts levied to pay  
6 for sums to support a library pursuant to section 51-201 or museum  
7 pursuant to section 51-501. The county may allocate up to fifteen  
8 cents of its authority to other political subdivisions subject  
9 to allocation of property tax authority under subsection (1) of  
10 section 77-3443 and not specifically covered in this section to  
11 levy taxes as authorized by law which do not collectively exceed  
12 fifteen cents per one hundred dollars of taxable valuation on any  
13 parcel or item of taxable property. The county may allocate to  
14 one or more other political subdivisions subject to allocation  
15 of property tax authority by the county under subsection (1) of  
16 section 77-3443 some or all of the county's five cents per one  
17 hundred dollars of valuation authorized for support of an agreement  
18 or agreements to be levied by the political subdivision for the  
19 purpose of supporting that political subdivision's share of revenue  
20 required under an agreement or agreements executed pursuant to the  
21 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
22 allocation by a county would cause another county to exceed its  
23 levy authority under this section, the second county may exceed the  
24 levy authority in order to levy the amount allocated.

25 (9) Municipal counties may levy or authorize a maximum  
26 levy of one dollar per one hundred dollars of taxable valuation  
27 of property subject to the levy. The municipal county may allocate

1 levy authority to any political subdivision or entity subject to  
2 allocation under section 77-3443.

3 (10) Property tax levies for judgments, except judgments  
4 or orders from the Commission of Industrial Relations, obtained  
5 against a political subdivision which require or obligate a  
6 political subdivision to pay such judgment, to the extent such  
7 judgment is not paid by liability insurance coverage of a  
8 political subdivision, for preexisting lease-purchase contracts  
9 approved prior to July 1, 1998, for bonded indebtedness approved  
10 according to law and secured by a levy on property, and for  
11 payments by a public airport to retire interest-free loans from the  
12 Department of Aeronautics in lieu of bonded indebtedness at a lower  
13 cost to the public airport are not included in the levy limits  
14 established by this section.

15 (11) The limitations on tax levies provided in this  
16 section are to include all other general or special levies  
17 provided by law. Notwithstanding other provisions of law, the  
18 only exceptions to the limits in this section are those provided by  
19 or authorized by sections 77-3442 to 77-3444.

20 (12) Tax levies in excess of the limitations in this  
21 section shall be considered unauthorized levies under section  
22 77-1606 unless approved under section 77-3444.

23 (13) For purposes of sections 77-3442 to 77-3444,  
24 political subdivision means a political subdivision of this state  
25 and a county agricultural society.

26 Sec. 32. Section 85-9,177, Revised Statutes Cumulative  
27 Supplement, 2006, is amended to read:

1           85-9,177 Sections 85-9,177 to 85-9,182 shall be known and  
2 may be cited as the ~~Minority~~ Student Diversity Scholarship Program  
3 Act.

4           Sec. 33. Section 85-9,178, Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6           85-9,178 (1) The Legislature finds that the State of  
7 Nebraska has a compelling interest to provide access to the  
8 University of Nebraska, the state colleges, and the community  
9 colleges for ~~Black, American Indian, and Hispanic~~ minority students  
10 and students from diverse racial, ethnic, and cultural backgrounds  
11 who often find that the financial requirements of postsecondary  
12 education ~~often represent major obstacles to such students because~~  
13 ~~of the lack of financial resources available to them.~~ are a major  
14 obstacle. The Legislature further finds that the State of Nebraska  
15 has a compelling interest in attaining greater diversity in the  
16 racial, ethnic, and cultural makeup of the student bodies at the  
17 University of Nebraska, the state colleges, and the community  
18 colleges because of the educational benefits that a diverse  
19 educational environment will produce for all students attending  
20 the University of Nebraska, the state colleges, and the community  
21 colleges.

22           (2) It is the intent of the Legislature:

23           (a) To appropriate funds to support a ~~minority~~  
24 ~~scholarship~~ student diversity program ~~to serve as a temporary~~  
25 ~~measure for the purpose of eliminating the statistical disparity~~  
26 ~~between the representation of full-time Black, American Indian,~~  
27 ~~and Hispanic minority students in the undergraduate population~~

1 of the University of Nebraska, the state colleges, and the  
2 community colleges and the representation of such minority  
3 students in the student population of the primary and secondary  
4 schools of this state and for the purpose of developing a more  
5 racially, ethnically, and culturally diverse student body at such  
6 public bodies at the state's public postsecondary educational  
7 institutions;

8 (b) That Black, American Indian, and Hispanic minority  
9 students attending the University of Nebraska, a state college,  
10 or a community college will be eligible to participate in the  
11 scholarship program supported pursuant to the Minority Scholarship  
12 Program Act, and the student diversity scholarship program be  
13 designed and implemented so as to achieve a greater racial, ethnic,  
14 and cultural diversity in student populations in fulfillment of the  
15 compelling interest found by the Legislature pursuant to subsection  
16 (1) of this section; and

17 (c) That all funds appropriated by the Legislature  
18 for minority student diversity scholarships at the University  
19 of Nebraska, the state colleges, and the community colleges  
20 shall be used in coordination with private donations for such  
21 scholarships and in consultation with the major donors thereof  
22 and in coordination with federal grant funds available to minority  
23 students at such institutions the University of Nebraska, the state  
24 colleges, and the community colleges so as to maximize the level of  
25 benefits and accomplish the purposes of the act.

26 Sec. 34. Section 85-9,179, Revised Statutes Cumulative  
27 Supplement, 2006, is amended to read:

1           85-9,179 (1) All funds appropriated by the Legislature  
2 for the ~~Minority~~ Student Diversity Scholarship Program Act shall  
3 be used to support endowed scholarship funds which shall be held,  
4 managed, and invested as authorized by section 72-1246 with only  
5 the income therefrom expended for scholarships.

6           (2) The purpose of such endowed scholarship funds is to  
7 provide total or partial undergraduate scholarships for tuition,  
8 fees, board and room, and books at all campuses of the University  
9 of Nebraska, the state colleges, and the community colleges to  
10 full-time undergraduate students ~~from Black, American Indian, and~~  
11 ~~Hispanic minority groups which are underrepresented in the student~~  
12 ~~population of such public institutions~~ who fulfill the criteria for  
13 award of a student diversity scholarship and who cannot afford such  
14 educational expenses due to lack of financial resources available  
15 to them.

16           Sec. 35. Section 85-9,180, Revised Statutes Cumulative  
17 Supplement, 2006, is amended to read:

18           85-9,180 ~~(1)~~ Funds appropriated in years prior to  
19 fiscal year 2000-01 for the minority scholarship program supported  
20 pursuant to section 85-1,125 as such section existed prior to July  
21 13, 2000, shall be used, administered, and distributed only for the  
22 benefit of students at the University of Nebraska in such manner as  
23 the Board of Regents of the University of Nebraska shall determine.

24           ~~(2)~~ (1) Funds appropriated for fiscal year 2000-01 and  
25 each fiscal year thereafter before fiscal year 2007-08 for the  
26 Minority Scholarship Program Act as it existed immediately prior to  
27 the operative date of this section shall be used for the benefit

1 of students pursuant to the Minority Scholarship Program Act at  
2 the University of Nebraska, the state colleges, and the community  
3 colleges.

4 (2) Funds appropriated for fiscal year 2007-08 and each  
5 fiscal year thereafter for the Student Diversity Scholarship  
6 Program Act shall be used for the benefit of students pursuant  
7 to the Student Diversity Scholarship Program Act at the University  
8 of Nebraska, the state colleges, and the community colleges.

9 Sec. 36. Section 85-9,181, Revised Statutes Cumulative  
10 Supplement, 2006, is amended to read:

11 85-9,181 (1) Funds appropriated for the Minority Student  
12 Diversity Scholarship Program Act for the benefit of students at  
13 the University of Nebraska and students attending any community  
14 colleges who are enrolled in an associate degree program with the  
15 intention of transferring to the University of Nebraska shall be  
16 used, administered, and invested in such manner as the Board of  
17 Regents of the University of Nebraska, in consultation with the  
18 boards of governors of each participating community college, shall  
19 determine.

20 (2) Funds appropriated for the Minority Student Diversity  
21 Scholarship Program Act for the benefit of students at the state  
22 colleges and students attending any community colleges who are  
23 enrolled in an associate degree program with the intention of  
24 transferring to a state college shall be used, administered, and  
25 invested in such manner as the Board of Trustees of the Nebraska  
26 State Colleges, in consultation with the boards of governors of  
27 each participating community college, shall determine.

1           Sec. 37. Section 85-9,182, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           85-9,182 ~~Awards~~ Criteria for the award of scholarships  
4 under the ~~Minority~~ Student Diversity Scholarship Program Act shall  
5 be determined by a committee selected by the Board of Regents of  
6 the University of Nebraska, the Board of Trustees of the Nebraska  
7 State Colleges, and the community college boards of governors.  
8 The committee shall include members of underrepresented minority  
9 groups and private donors to the endowed scholarship funds. Awards  
10 shall be consistent with the intent stated in the act and with  
11 the constitutions and laws of the United States and the State of  
12 Nebraska.

13           Sec. 38. Section 85-1416, Revised Statutes Cumulative  
14 Supplement, 2006, is amended to read:

15           85-1416 (1) Pursuant to the authority granted in  
16 Article VII, section 14, of the Constitution of Nebraska and  
17 the Coordinating Commission for Postsecondary Education Act, the  
18 commission shall, in accordance with the coordination function of  
19 the commission pursuant to section 85-1403, review and modify, if  
20 needed to promote compliance and consistency with the comprehensive  
21 statewide plan and prevent unnecessary duplication, the budget  
22 requests of the governing boards.

23           (2)(a) At least thirty days prior to submitting to  
24 the Governor their biennial budget requests pursuant to section  
25 81-1113 and any major deficit appropriation requests pursuant  
26 to instructions of the Department of Administrative Services,  
27 the Board of Regents of the University of Nebraska and the



1 Board of Trustees of the Nebraska State Colleges shall each  
2 submit to the commission an outline of its proposed operating  
3 budget. The outline of its proposed operating budget or outline  
4 of proposed state aid request shall include those information  
5 summaries provided to the institution's governing board describing  
6 the respective institution's budget for the next fiscal year or  
7 biennium. The outline shall contain projections of funds necessary  
8 for (i) the retention of current programs and services at current  
9 funding levels, (ii) any inflationary costs necessary to maintain  
10 current programs and services at the current programmatic or  
11 service levels, and (iii) proposed new and expanded programs and  
12 services. In addition to the outline, the commission may request  
13 an institution to provide to the commission any other supporting  
14 information to assist the commission in its budget review process.  
15 An institution may comply with such requests pursuant to section  
16 85-1417.

17 (b) On September 15 of each biennial budget request  
18 year, the boards of governors of the community colleges or their  
19 designated representatives shall submit to the commission outlines  
20 of their proposed state aid requests pursuant to ~~sections 85-1536~~  
21 ~~and 85-1537.~~ the Community College Foundation and Equalization Aid  
22 Act.

23 (c) The commission shall analyze institutional budget  
24 priorities in light of the comprehensive statewide plan, role and  
25 mission assignments, and the goal of prevention of unnecessary  
26 duplication. The commission shall submit to the Governor and  
27 Legislature by October 15 of each year recommendations for approval

1 or modification of the budget requests together with a rationale  
2 for its recommendations. The analysis and recommendations by the  
3 commission shall focus on budget requests for new and expanded  
4 programs and services and major statewide funding issues or  
5 initiatives as identified in the comprehensive statewide plan.  
6 If an institution does not comply with the commission's request  
7 pursuant to subdivision (a) of this subsection for additional  
8 budget information, the commission may so note the refusal  
9 and its specific information request in its report of budget  
10 recommendations. The commission shall also provide to the Governor  
11 and the Appropriations Committee of the Legislature on or before  
12 October 1 of each even-numbered year a report identifying public  
13 policy issues relating to student tuition and fees, including  
14 the appropriate relative differentials of tuition and fee levels  
15 between the sectors of public postsecondary education in the state  
16 consistent with the comprehensive statewide plan.

17 (3) At least thirty days prior to submitting to the  
18 Governor their biennial budget requests pursuant to section  
19 81-1113 and any major deficit appropriation requests pursuant to  
20 instructions of the Department of Administrative Services, the  
21 Board of Regents of the University of Nebraska and the Board of  
22 Trustees of the Nebraska State Colleges shall each submit to the  
23 commission information the commission deems necessary regarding  
24 each board's capital construction budget requests. The commission  
25 shall review the capital construction budget request information  
26 and may recommend to the Governor and the Legislature modification,  
27 approval, or disapproval of such requests consistent with the

1 statewide facilities plan and any project approval determined  
2 pursuant to subsection (10) of section 85-1414 and to section  
3 85-1415. The commission shall develop from a statewide perspective  
4 a unified prioritization of individual capital construction budget  
5 requests for which it has recommended approval and submit such  
6 prioritization to the Governor and the Legislature for their  
7 consideration. In establishing its prioritized list, the commission  
8 may consider and respond to the priority order established by the  
9 Board of Regents or the Board of Trustees in their respective  
10 capital construction budget requests.

11 (4) Nothing in this section shall be construed to affect  
12 other constitutional, statutory, or administrative requirements for  
13 the submission of budget or state aid requests by the governing  
14 boards to the Governor and the Legislature.

15 Sec. 39. Section 85-1418, Reissue Revised Statutes of  
16 Nebraska, is amended to read:

17 85-1418 (1) No state warrant shall be issued by the  
18 Department of Administrative Services or used by any public  
19 institution for the purpose of funding any program or capital  
20 construction project which has not been approved or which has  
21 been disapproved by the commission pursuant to the Coordinating  
22 Commission for Postsecondary Education Act. If state funding for  
23 any such program or project cannot be or is not divided into  
24 warrants separate from other programs or projects, the department  
25 shall reduce a warrant to the public institution which includes  
26 funding for the program or project by the amount of tax funds  
27 designated by the Legislature which are budgeted in that fiscal

1 year by the public institution for use for the program or project.

2 (2) The department may reduce the amount of state aid  
3 distributed to a community college area pursuant to ~~sections~~  
4 ~~85-1536 and 85-1537~~ the Community College Foundation and  
5 Equalization Aid Act by the amount of funds used by the area to  
6 provide a program or capital construction project which has not  
7 been approved or which has been disapproved by the commission.

8 (3) The district court of Lancaster County shall have  
9 jurisdiction to enforce an order or decision of the commission  
10 entered pursuant to the Coordinating Commission for Postsecondary  
11 Education Act and to enforce this section.

12 (4) Any person or public institution aggrieved by a  
13 final order of the commission entered pursuant to section 85-1413,  
14 85-1414, 85-1415, or 85-1416 shall be entitled to judicial review  
15 of the order. Proceedings for review shall be instituted by filing  
16 a petition in the district court of Lancaster County within thirty  
17 days after public notice of the final decision by the commission  
18 is given. The filing of the petition or the service of summons  
19 upon the commission shall not stay enforcement of such order. The  
20 review shall be conducted by the court without a jury on the  
21 record of the commission. The court shall have jurisdiction to  
22 enjoin enforcement of any order of the commission which is (a)  
23 in violation of constitutional provisions, (b) in excess of the  
24 constitutional or statutory authority of the commission, (c) made  
25 upon unlawful procedure, or (d) affected by other error of law.

26 (5) A party may secure a review of any final judgment of  
27 the district court by appeal to the Court of Appeals. Such appeal

1 shall be taken in the manner provided by law for appeals in civil  
2 cases and shall be heard de novo on the record.

3 Sec. 40. Section 85-1503, Revised Statutes Cumulative  
4 Supplement, 2006, is amended to read:

5 85-1503 For purposes of sections 85-1501 to 85-1540,  
6 unless the context otherwise requires:

7 (1) Community college ~~shall mean~~ means an educational  
8 institution operating and offering programs pursuant to such  
9 sections;

10 (2) Community college area ~~shall mean~~ means an area  
11 established by section 85-1504;

12 (3) Board ~~shall mean~~ means the Community College Board of  
13 Governors for each community college area;

14 (4) Full-time equivalent student ~~shall mean,~~ means,  
15 in the aggregate, the equivalent of a registered student who  
16 in a twelve-month period is enrolled in (a) thirty semester  
17 credit hours or forty-five quarter credit hours of classroom,  
18 laboratory, clinical, practicum, or independent study course work  
19 or cooperative work experience or (b) nine hundred contact hours of  
20 classroom or laboratory course work for which credit hours are not  
21 offered or awarded. Avocational and recreational community service  
22 programs or courses ~~shall not be~~ are not included in determining  
23 full-time equivalent students or student enrollment;

24 (5) Contact hour ~~shall mean~~ means an educational activity  
25 consisting of sixty minutes minus break time and required time to  
26 change classes;

27 (6) Credit hour ~~shall mean~~ means the unit used to

1 ascertain the educational value of course work offered by the  
2 institution to students enrolling for such course work, earned  
3 by such students upon successful completion of such course work,  
4 and for which tuition is charged. A credit hour may be offered  
5 and earned in any of several instructional delivery systems,  
6 including, but not limited to, classroom hours, laboratory hours,  
7 clinical hours, practicum hours, cooperative work experience, and  
8 independent study. A credit hour shall consist of a minimum of: (a)  
9 Ten quarter or fifteen semester classroom contact hours per term of  
10 enrollment; (b) twenty quarter or thirty semester academic transfer  
11 and academic support laboratory hours per term of enrollment; (c)  
12 thirty quarter or forty-five semester vocational laboratory hours  
13 per term of enrollment; (d) thirty quarter or forty-five semester  
14 clinical or practicum contact hours per term of enrollment; or  
15 (e) forty quarter or sixty semester cooperative work experience  
16 contact hours per term of enrollment. An institution may include  
17 in a credit hour more classroom, laboratory, clinical, practicum,  
18 or cooperative work experience hours than the minimum required in  
19 this subdivision. The institution shall publish in its catalog, or  
20 otherwise make known to the student in writing prior to the student  
21 enrolling or paying tuition for any courses, the number of credit  
22 or contact hours offered in each such course. Such published credit  
23 or contact hour offerings shall be used to determine whether a  
24 student is a full-time equivalent student pursuant to subdivision  
25 (4) of this section;

26 (7) Classroom hour ~~shall mean~~ means a minimum of fifty  
27 minutes of formalized instruction on campus or off campus in which

1 a qualified instructor applying any combination of instructional  
2 methods such as lecture, directed discussion, demonstration, or the  
3 presentation of audiovisual materials is responsible for providing  
4 an educational experience to students;

5 (8) Laboratory hour ~~shall mean~~ means a minimum of fifty  
6 minutes of educational activity on campus or off campus in  
7 which students conduct experiments, perfect skills, or practice  
8 procedures under the direction of a qualified instructor;

9 (9) Clinical hour ~~shall mean~~ means a minimum of fifty  
10 minutes of educational activity on campus or off campus during  
11 which the student is assigned practical experience under constant  
12 supervision at a health-related agency, receives individual  
13 instruction in the performance of a particular function, and is  
14 observed and critiqued in the repeat performance of such function.  
15 Adjunct professional personnel, who may or may not be paid by the  
16 college, may be used for the directed supervision of students and  
17 for the delivery of part of the didactic phase of the experience;

18 (10) Practicum hour ~~shall mean~~ means a minimum of fifty  
19 minutes of educational activity on campus or off campus during  
20 which the student is assigned practical experiences, receives  
21 individual instruction in the performance of a particular function,  
22 and is observed and critiqued by an instructor in the repeat  
23 performance of such function. Adjunct professional personnel, who  
24 may or may not be paid by the college, may be used for the directed  
25 supervision of the students;

26 (11) Cooperative work experience ~~shall mean~~ means an  
27 internship or on-the-job training, designed to provide specialized

1 skills and educational experiences, which is coordinated,  
2 supervised, observed, and evaluated by qualified college staff or  
3 faculty and may be completed on campus or off campus, depending  
4 on the nature of the arrangement;

5 (12) Independent study ~~shall mean~~ means an arrangement  
6 between an instructor and a student in which the instructor is  
7 responsible for assigning work activity or skill objectives to  
8 the student, personally providing needed instruction, assessing the  
9 student's progress, and assigning a final grade. Credit hours shall  
10 be assigned according to the practice of assigning credits in  
11 similar courses;

12 (13) Full-time equivalent student enrollment total ~~shall~~  
13 ~~mean~~ means the total of full-time equivalent students enrolled in a  
14 community college in any fiscal year;

15 (14) General academic transfer course ~~shall mean~~ means a  
16 course offering in a one-year or two-year degree-credit program,  
17 at the associate degree level or below, intended by the offering  
18 institution for transfer into a baccalaureate program. The  
19 completion of the specified courses in a general academic transfer  
20 program may include the award of a formal degree;

21 (15) Applied technology or occupational course ~~shall~~  
22 ~~mean~~ means a course offering in an instructional program, at the  
23 associate degree level or below, intended to prepare individuals  
24 for immediate entry into a specific occupation or career. The  
25 primary intent of the institutions offering an applied technology  
26 or occupational program shall be that such program is for immediate  
27 job entry. The completion of the specified courses in an applied



1 technology or occupational program may include the award of a  
2 formal degree, diploma, or certificate;

3 (16) Academic support course ~~shall mean~~ means a general  
4 education academic course offering which may be necessary to  
5 support an applied technology or occupational program;

6 (17) Class 1 course ~~shall mean~~ means an applied  
7 technology or occupational course offering which requires the use  
8 of equipment, facilities, or instructional methods easily adaptable  
9 for use in a general academic transfer program classroom or  
10 laboratory;

11 (18) Class 2 course ~~shall mean~~ means an applied  
12 technology or occupational course offering which requires the use  
13 of specialized equipment, facilities, or instructional methods not  
14 easily adaptable for use in a general academic transfer program  
15 classroom or laboratory;

16 (19) Reported aid equivalent student ~~shall mean~~ means a  
17 full-time equivalent student subject to the following limitations:

18 (a) The number of credit hours which can be counted for  
19 each student per semester or quarter shall be limited to eighteen  
20 credit hours;

21 (b) For students enrolled for more than eighteen credit  
22 hours, credit hours for each course shall be prorated as the  
23 eighteen-credit-hour limit is to the student's total credit hours  
24 for the semester or quarter;

25 (c) The credit-hour limit for a special instructional  
26 term shall be prorated on the same ratio that a fifteen-week term  
27 is to eighteen semester credit hours or a ten-week term is to

1 eighteen quarter credit hours; and

2 (d) The number of credit and contact hours which shall  
3 be counted by any community college area in which a tribally  
4 controlled community college is located shall include credit  
5 and contact hours awarded by such tribally controlled community  
6 college to students for which such institution received no federal  
7 reimbursement pursuant to the Tribally Controlled Community College  
8 Assistance Act, 25 U.S.C. 1801;

9 (20) Reported aid equivalent total ~~shall mean~~ means the  
10 total of all reported aid equivalents accumulated in a community  
11 college area in any fiscal year;

12 (21) Reimbursable educational unit ~~shall mean~~ means  
13 a reported aid equivalent student multiplied by (a) for a  
14 general academic transfer course or an academic support course,  
15 a factor of one, (b) for a Class 1 course, a factor of one  
16 and fifty-hundredths, (c) for a Class 2 course, a factor of one  
17 and eight-tenths for fiscal year 1995-96 and for the three-year  
18 averages, a factor of one and nine-tenths for fiscal year 1996-97  
19 and for the three-year averages, and a factor of two for fiscal  
20 year 1997-98 and each fiscal year thereafter and for the three-year  
21 averages, (d) for a tribally controlled community college general  
22 academic transfer course or academic support course, a factor  
23 of two, (e) for a tribally controlled community college Class  
24 1 course, a factor of three, and (f) for a tribally controlled  
25 community college Class 2 course, a factor of three and six-tenths  
26 for fiscal year 1995-96 and for the three-year averages, a factor  
27 of three and eight-tenths for fiscal year 1996-97 and for the

1 three-year averages, and a factor of four for fiscal year 1997-98  
2 and each fiscal year thereafter and for the three-year averages;

3 (22) Reimbursable educational unit total ~~shall mean~~ means  
4 the total of all reimbursable educational units accumulated in a  
5 community college area in any fiscal year;

6 (23) Special instructional term ~~shall mean~~ means any term  
7 which is less than fifteen weeks for community colleges using  
8 semesters or ten weeks for community colleges using quarters;

9 (24) Statewide reimbursable reported aid equivalent total  
10 ~~shall mean~~ means the total of all reimbursable reported aid  
11 equivalents accumulated statewide for the community college in any  
12 fiscal year;

13 (25) Tribally controlled community college ~~shall mean~~  
14 means an educational institution operating and offering programs  
15 pursuant to the Tribally Controlled Community College Assistance  
16 Act, 25 U.S.C. 1801; and

17 (26) Tribally controlled community college state aid  
18 amount ~~shall mean~~ means the quotient of the amount of state aid  
19 to be distributed pursuant to ~~sections 85-1536 and 85-1537~~ the  
20 Community College Foundation and Equalization Aid Act for the  
21 current fiscal year to a community college area in which a tribally  
22 controlled community college is located divided by the average of  
23 the reimbursable educational unit totals for such community college  
24 area for the immediately preceding three fiscal years, with such  
25 quotient then multiplied by the average reimbursable educational  
26 units derived pursuant to subdivision (19)(d) of this section for  
27 the immediately preceding three fiscal years.

1           Sec. 41. Section 85-1511, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           85-1511 In addition to any other powers and duties  
4 imposed upon the community college system or its areas, campuses,  
5 or boards by the Community College Foundation and Equalization Aid  
6 Act, sections 85-917 to 85-966 and 85-1501 to 85-1540, and any  
7 other provision of law, each board shall:

8           (1) Have general supervision, control, and operation of  
9 each community college within its jurisdiction;

10           (2) Subject to coordination by the Coordinating  
11 Commission for Postsecondary Education as prescribed in the  
12 Coordinating Commission for Postsecondary Education Act, develop  
13 and offer programs of applied technology education, academic  
14 transfer programs, academic support courses, and such other  
15 programs and courses as the needs of the community college area  
16 served may require. The board shall avoid unnecessary duplication  
17 of existing programs and courses in meeting the needs of the  
18 students and the community college area;

19           (3) Employ, for a period to be fixed by the board,  
20 executive officers, members of the faculty, and such other  
21 administrative officers and employees as may be necessary or  
22 appropriate and fix their salaries and duties;

23           (4) Subject to coordination by the Coordinating  
24 Commission for Postsecondary Education as prescribed in the  
25 Coordinating Commission for Postsecondary Education Act, construct,  
26 lease, purchase, purchase on contract, operate, equip, and maintain  
27 facilities;

1                   (5) Contract for services connected with the operation of  
2 the community college area as needs and interest demand;

3                   (6) Cause an examination and comprehensive audit of  
4 the books, accounts, records, and affairs, including full-time  
5 equivalent student enrollment totals, reported aid equivalent  
6 totals, and reimbursable educational unit totals as defined in  
7 section 85-1503, to be made annually covering the most recently  
8 completed fiscal year. The audit of each area shall include  
9 the full-time equivalent student enrollment totals, reported aid  
10 equivalent totals, and reimbursable educational unit totals for the  
11 three most recently completed fiscal years which shall be used for  
12 calculation of aid to the community college areas as prescribed in  
13 ~~section 85-1536.~~ the Community College Foundation and Equalization  
14 Aid Act. The audit shall also include the county-certified property  
15 valuations for the community college area for the three most  
16 recently completed fiscal years which shall be used for calculation  
17 of aid to such community college areas. Such examination and audit  
18 of the books, accounts, records, and affairs shall be completed  
19 and filed with the Auditor of Public Accounts and the Department  
20 of Administrative Services on or before October 15 of each year.  
21 The examination and audit of the full-time equivalent student  
22 enrollment totals, reported aid equivalent totals, and reimbursable  
23 educational unit totals shall be completed and filed with the  
24 Auditor of Public Accounts and the Department of Administrative  
25 Services on or before August 15 of each year;

26                   (7) Establish fees and charges for the facilities  
27 authorized by sections 85-1501 to 85-1540. Each board may enter

1 into agreements with owners of facilities to be used for housing  
2 regarding the management, operation, and government of such  
3 facilities and may employ necessary employees to govern, manage,  
4 and operate such facilities;

5 (8) Receive such gifts, grants, conveyances, and bequests  
6 of real and personal property from public or private sources as  
7 may be made from time to time, in trust or otherwise, whenever  
8 the terms and conditions thereof will aid in carrying out the  
9 community college programs as specified by law. Each board may  
10 sell, lease, exchange, invest, or expend such gifts, grants,  
11 conveyances, and bequests or the proceeds, rents, profits, and  
12 income therefrom according to the terms and conditions thereof and  
13 adopt and promulgate rules and regulations governing the receipt  
14 and expenditure of such proceeds, rents, profits, and income,  
15 except that acceptance of such gifts, grants, or conveyances shall  
16 not be conditioned on matching state or local funds;

17 (9) Prescribe the courses of study for any community  
18 college under its control and publish such catalogs and bulletins  
19 as may be necessary;

20 (10) Grant to every student upon graduation or completion  
21 of a course of study a suitable diploma, associate degree, or  
22 certificate;

23 (11) Adopt and promulgate such rules and regulations  
24 and perform all other acts as the board may deem necessary  
25 or appropriate to the administration of the community college  
26 area. Such rules and regulations shall include, but not be  
27 limited to, rules and regulations relating to facilities, housing,

1 scholarships, discipline, and pedestrian and vehicular traffic on  
2 property owned, operated, or maintained by the community college  
3 area;

4 (12) Employ, for a period to be fixed by the board, an  
5 executive officer for the community college area and, by written  
6 order filed in its office, delegate to such executive officer  
7 any of the powers and duties vested in or imposed upon it by  
8 sections 85-1501 to 85-1540. Such delegated powers and duties may  
9 be exercised in the name of the board;

10 (13) Acquire real property by eminent domain pursuant to  
11 sections 76-701 to 76-724;

12 (14) Acquire real and personal property and sell, convey,  
13 or lease such property whenever the community college area will  
14 be benefited thereby. The sale, conveyance, or lease of any real  
15 estate owned by a community college area shall be effective only  
16 when authorized by an affirmative vote of at least two-thirds of  
17 all the members of the board;

18 (15) Enter into agreements for services, facilities, or  
19 equipment and for the presentation of courses for students when  
20 such agreements are deemed to be in the best interests of the  
21 education of the students involved;

22 (16) Transfer tribally controlled community college state  
23 aid amounts to a tribally controlled community college located  
24 within its community college area;

25 (17) Invest, after proper consideration of the  
26 requirements for the availability of money, funds of the community  
27 college in securities the nature of which individuals of prudence,

1 discretion, and intelligence acquire or retain in dealing with the  
2 property of another;

3 (18) Establish tuition rates for courses of instruction  
4 offered by each community college within its community college  
5 area. Separate tuition rates shall be established for students who  
6 are nonresidents of the State of Nebraska;

7 (19) Establish a fiscal year for the community college  
8 area which conforms to the fiscal year of the state; and

9 (20) Exercise any other powers, duties, and  
10 responsibilities necessary to carry out sections 85-1501 to  
11 85-1540.

12 Sec. 42. Section 85-1517, Revised Statutes Cumulative  
13 Supplement, 2006, is amended to read:

14 85-1517 (1) The board may certify to the county board of  
15 equalization of each county within the community college area a tax  
16 levy not to exceed ~~six cents~~ the maximum levy calculated pursuant  
17 to the Community College Foundation and Equalization Aid Act on  
18 each one hundred dollars on the taxable valuation of all property  
19 subject to the levy within the community college area, uniform  
20 throughout such area, for the purpose of supporting operating  
21 expenditures of the community college area.

22 (2) (a) In addition to the levies provided in subsection  
23 (1) of this section and this subsection, the board may certify  
24 to the county board of equalization of each county within the  
25 community college area a tax levy of not to exceed one cent on each  
26 one hundred dollars on the taxable valuation of all property within  
27 the community college area, uniform throughout such area, for the



1 purpose of establishing a capital improvement fund and bond sinking  
2 fund as provided in section 85-1515.

3 (b) In addition to the levies provided in subsection (1)  
4 of this section and this subsection, the board may also certify  
5 to the county board of equalization of each county within the  
6 community college area a tax levy on each one hundred dollars on  
7 the taxable valuation of all property within the community college  
8 area, uniform throughout such area, in the amount which will  
9 produce funds only in the amount necessary to pay for funding  
10 accessibility barrier elimination project costs and abatement  
11 of environmental hazards as such terms are defined in section  
12 79-10,110. Such tax levy shall not be so certified unless approved  
13 by an affirmative vote of a majority of the board taken at a  
14 public meeting of the board following notice and a hearing. The  
15 board shall give at least seven days' notice of such public hearing  
16 and shall publish such notice once in a newspaper of general  
17 circulation in the area to be affected by the increase.

18 (c) In addition to the levies provided in subsection (1)  
19 of this section and this subsection, the board of any community  
20 college area whose valuation per reported aid equivalent student  
21 was less than eighty-two percent of the statewide average of all  
22 community colleges for fiscal year 1997-98 may also certify to the  
23 county board of equalization of each county within the community  
24 college area a tax levy up to an additional one-half cent for each  
25 of fiscal years 2005-06 and 2006-07, on each one hundred dollars on  
26 the taxable valuation of all property within the community college  
27 area, uniform throughout such area. Such tax levy shall not be so

1 certified unless approved by an affirmative vote of three-fourths  
2 of the board taken at a public meeting of the board following  
3 notice and a hearing. The board shall give at least seven days'  
4 notice of such public hearing and shall publish such notice once in  
5 a newspaper of general circulation in the area to be affected by  
6 the increase.

7 (3) The levy provided by subdivision (2)(a) of this  
8 section may be exceeded by that amount necessary to retire the  
9 general obligation bonds assumed by the community college area or  
10 issued pursuant to section 85-1515 according to the terms of such  
11 bonds or for any obligation pursuant to section 85-1535 entered  
12 into prior to January 1, 1997.

13 (4) The tax shall be levied and assessed in the same  
14 manner as other property taxes and entered on the books of the  
15 county treasurer. The proceeds of the tax, as collected, shall be  
16 remitted to the treasurer of the board not less frequently than  
17 once each month.

18 Sec. 43. Section 85-1903, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 85-1903 Award means a grant of money by the commission  
21 to an eligible student for educational expenses. Awards shall not  
22 exceed:

23 (1) For award years prior to the 2007-08 award year,  
24 fifty percent of the tuition and mandatory fees for a full-time,  
25 resident, undergraduate student for the last completed award year  
26 at the University of Nebraska-Lincoln; and ~~+(a) For students~~  
27 who received an award from the Postsecondary Education Award

1 Program Act, the Scholarship Assistance Program Act, or the State  
2 Scholarship Award Program Act for the 2002-03 award year, the  
3 greater of the total awards received by the student pursuant  
4 to such acts for the 2002-03 award year or one-half of the  
5 tuition and mandatory fees for a full-time, resident, undergraduate  
6 student for the last completed award year at the University of  
7 Nebraska-Lincoln; or (b) For students who did not receive an award  
8 from the Postsecondary Education Award Program Act, the Scholarship  
9 Assistance Program Act, or the State Scholarship Award Program Act  
10 for the 2002-03 award year, one-half of the tuition and mandatory  
11 fees for a full-time, resident, undergraduate student for the last  
12 completed award year at the University of Nebraska-Lincoln; and

13 (2) For the 2007-08 2008-09 award year and each award  
14 year thereafter, twenty-five percent of the tuition and mandatory  
15 fees for a full-time, resident, undergraduate student for the last  
16 completed award year at the University of Nebraska-Lincoln.

17 Sec. 44. Sections 32, 33, 34, 35, 36, 37, and 45 of this  
18 act become operative on July 1, 2007. The other sections of this  
19 act become operative on their effective date.

20 Sec. 45. Original sections 85-9,177, 85-9,178, 85-9,179,  
21 85-9,180, 85-9,181, and 85-9,182, Revised Statutes Cumulative  
22 Supplement, 2006, are repealed.

23 Sec. 46. Original sections 85-1418, 85-1511, 85-1536, and  
24 85-1538, Reissue Revised Statutes of Nebraska, and sections 13-518,  
25 77-3442, 85-1416, 85-1503, 85-1517, and 85-1903, Revised Statutes  
26 Cumulative Supplement, 2006, are repealed.

27 Sec. 47. The following sections are outright repealed:

1 Section 85-1537, Reissue Revised Statutes of Nebraska, and section  
2 85-1536.01, Revised Statutes Cumulative Supplement, 2006.

3           Sec. 48. Since an emergency exists, this act takes effect  
4 when passed and approved according to law.