

E AND R AMENDMENTS TO LB 637

Introduced by Larson, 40, Chairperson Enrollment and Review

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

3 Section 1. Sections 1 to 21 of this act shall be known
4 and may be cited as the Postsecondary Institution Act.

5 Sec. 2. The purposes of the Postsecondary Institution Act
6 are to ensure that minimum standards of operation are met by both
7 private and out-of-state postsecondary institutions operating in
8 Nebraska and to provide for consumer protection for students who
9 enroll in higher education programs in this state.

10 Sec. 3. For purposes of the Postsecondary Institution
11 Act:

12 (1) Authorization to operate means approval by the
13 commission to operate a postsecondary institution in this state;

14 (2) Authorization to operate on a continuing basis means
15 approval by the commission to operate a postsecondary institution
16 in this state without a renewal requirement;

17 (3) Commission means the Coordinating Commission for
18 Postsecondary Education;

19 (4) (a) Establishing a physical presence means:

20 (i) Offering a course for college credit or a degree
21 program in this state that leads to an associate, baccalaureate,
22 graduate, or professional degree, including:

23 (A) Establishing a physical location in this state where

1 a student may receive synchronous or asynchronous instruction; or

2 (B) Offering a course or program that requires students
3 to physically meet in one location for instructional purposes more
4 than once during the course term; or

5 (ii) Establishing an administrative office in this state,
6 including:

7 (A) Maintaining an administrative office in this state
8 for purposes of enrolling students, providing information to
9 students about the institution, or providing student support
10 services;

11 (B) Providing office space to staff, whether
12 instructional or noninstructional staff; or

13 (C) Establishing a mailing address in this state.

14 (b) Physical presence does not include:

15 (i) Course offerings in the nature of a short course or
16 seminar if instruction for the short course or seminar takes no
17 more than twenty classroom hours;

18 (ii) Course offerings on a military installation solely
19 for military personnel or civilians employed on such installation;

20 (iii) An educational experience arranged for an
21 individual student, such as a clinical, practicum, residency, or
22 internship; or

23 (iv) Courses offered entirely asynchronously, including
24 strictly online courses;

25 (5) Executive director means the executive director of
26 the commission or his or her designee;

27 (6) Nebraska public postsecondary institution means

1 any public institution established, operated, and governed by
2 this state or any of its political subdivisions that provides
3 postsecondary education;

4 (7) Out-of-state public postsecondary institution means
5 any public institution with a physical presence in Nebraska that is
6 established, operated, and governed by another state or any of its
7 political subdivisions and that provides postsecondary education;

8 (8) Postsecondary institution means any private
9 postsecondary institution, out-of-state public postsecondary
10 institution, or Nebraska public postsecondary institution exempt
11 from the Private Postsecondary Career School Act; and

12 (9) Private postsecondary institution means any Nebraska
13 or out-of-state nonpublic postsecondary institution with a physical
14 presence in Nebraska, including any for-profit or nonprofit
15 institution, that provides postsecondary education.

16 Sec. 4. The commission shall administer the Postsecondary
17 Institution Act. To fulfill the purposes of the act, the commission
18 may request from any department, division, board, bureau,
19 commission, or other agency of this state, and such entity shall
20 provide, such information as the commission deems necessary to
21 exercise its powers and perform its duties under the act.

22 Sec. 5. The commission has the following powers and
23 duties:

24 (1) To establish levels of authorization to operate based
25 on institutional offerings;

26 (2) To receive, investigate as it may deem necessary, and
27 act upon applications for authorization to operate and applications

1 to renew an authorization to operate;

2 (3) To establish reporting requirements by campus
3 location either through the federal Integrated Postsecondary
4 Education Data System, 20 U.S.C. 1094(a)(17), as such section
5 existed on January 1, 2011, and 34 C.F.R. 668.14(b)(19), as
6 such regulation existed on January 1, 2011, or directly to the
7 commission for any postsecondary institution authorized to operate;

8 (4) To maintain a list of postsecondary institutions
9 authorized to operate, which shall be made available to the public;

10 (5) To establish a notification process when an
11 authorized postsecondary institution changes its address or adds
12 instructional sites within this state;

13 (6) To conduct site visits of postsecondary institutions
14 to carry out the Postsecondary Institution Act;

15 (7) To establish fees for applications for authorization
16 to operate and applications to renew authorization to operate,
17 which shall be not more than the cost of reviewing and evaluating
18 the applications;

19 (8) To investigate any violations of the act by a
20 postsecondary institution; and

21 (9) To adopt and promulgate rules, regulations, and
22 procedures to administer the act.

23 Sec. 6. The commission shall adopt and promulgate rules
24 and regulations to establish minimum standards according to which
25 a postsecondary institution shall be authorized to operate within
26 the state, and upon failure to operate according to such standards,
27 the postsecondary institution shall be subject to the suspension or

1 revocation of the authorization to operate. An institution shall
2 demonstrate that it can be maintained and operated in accordance
3 with such standards. The standards shall include, but not be
4 limited to:

5 (1) The financial soundness of the institution and its
6 capability to fulfill its proposed commitments and sustain its
7 operations;

8 (2) The quality and adequacy of teaching faculty, library
9 services, and support services;

10 (3) The quality of the programs offered, including
11 courses, programs of instruction, degrees, any necessary clinical
12 placements, and the institution's ability to generate and sustain
13 enrollment;

14 (4) The specific locations where programs will be offered
15 or planned locations and a demonstration that facilities are
16 adequate at the locations for the programs to be offered;

17 (5) Assurances regarding transfer of credits earned in
18 the program to the main campus of such institution and clear and
19 accurate representations about the transferability of credits to
20 other institutions located in Nebraska and elsewhere;

21 (6) Whether such institution and, when appropriate, the
22 program, are fully accredited, or seeking accreditation, by an
23 accrediting body recognized by the United States Department of
24 Education;

25 (7) The institution's policies and procedures related to
26 students, including, but not limited to, recruiting and admissions
27 practices;

1 (8) The tuition refund policy for an institution that
2 does not participate in federal financial aid programs described in
3 Title IV of the federal Higher Education Act of 1965, 20 U.S.C.
4 1001 et seq., as such act existed on January 1, 2011; and

5 (9) Any other standards deemed necessary by the
6 commission.

7 Sec. 7. The following are exempt from the Postsecondary
8 Institution Act:

9 (1) Any institution or organization which offers
10 education or instruction and which is licensed and regulated solely
11 by an agency of the federal government with respect to curriculum
12 and qualifications of instructional staff; or

13 (2) Any private postsecondary career school as defined in
14 the Private Postsecondary Career School Act.

15 Sec. 8. No postsecondary institution shall operate in the
16 State of Nebraska by establishing a physical presence in this state
17 until it has received authorization to operate by the commission.

18 Sec. 9. No postsecondary institution authorized to
19 operate under the Postsecondary Institution Act shall charge
20 tuition or fees for more than one academic term or require a
21 student to sign loan documents for more than one academic year.

22 Sec. 10. (1) On the effective date of this act, the
23 following institutions shall be deemed to have authorization to
24 operate on a continuing basis:

25 (a) All out-of-state public postsecondary institutions
26 with a physical presence that for at least twenty academic years
27 have continuously offered one or more four-year undergraduate

1 programs in Nebraska in compliance with state and federal law;

2 (b) All private postsecondary institutions with a
3 physical presence that for at least twenty academic years, under
4 the same ownership, have continuously offered one or more four-year
5 undergraduate programs in Nebraska in compliance with state and
6 federal law; and

7 (c) All Nebraska public postsecondary institutions.

8 (2) Nothing in this section shall provide any additional
9 authority to the commission to regulate any institution deemed to
10 have authorization to operate on a continuing basis.

11 Sec. 11. (1) Any postsecondary institution with a
12 physical presence in Nebraska as of the effective date of this act
13 and not previously authorized to operate by the commission or other
14 state agency prior to the effective date of this act shall apply to
15 the commission for authorization to operate as a new institution
16 on or before December 31, 2011.

17 (2) Any postsecondary institution authorized to operate
18 by the commission or other state agency prior to the effective
19 date of this act and not deemed to have authority to operate on
20 a continuing basis pursuant to section 10 of this act shall apply
21 to the commission for a renewal of the authorization to operate
22 between October 1, 2011, and December 31, 2011. If the institution
23 fails to apply on or before December 31, 2011, the original
24 authorization to operate shall terminate on January 1, 2012.

25 (3) Any postsecondary institution that has not
26 established a physical presence as of the effective date of this
27 act shall apply to the commission for authorization to operate as a

1 new institution and receive such authorization prior to commencing
2 operations in this state.

3 Sec. 12. (1) Except as otherwise provided in this
4 section, after review of an initial application for authorization
5 to operate, including any further information submitted by the
6 applicant as required by the commission and any investigation of
7 the applicant as the commission may deem necessary or appropriate,
8 the commission shall grant or deny the application for initial
9 authorization to operate. A grant of an initial authorization to
10 operate may be on such terms and conditions as the commission
11 may specify. Such authorization shall be for a five-year period
12 unless the commission determines that a shorter period of time is
13 appropriate based on the standards established pursuant to section
14 6 of this act.

15 (2) After review of an application to renew an
16 authorization to operate, including any further information
17 submitted by the applicant as required by the commission and
18 any investigation of the applicant as the commission may deem
19 necessary or appropriate, the commission shall grant or deny
20 the application for renewal of an authorization to operate.
21 Renewal of an authorization to operate may be on such terms and
22 conditions as the commission may specify. Such authorization shall
23 be for a five-year period unless the commission determines that
24 a shorter renewal period is appropriate based on the standards
25 established pursuant to section 6 of this act. If the applicant
26 has, for at least twenty academic years under the same ownership,
27 continuously offered one or more four-year undergraduate programs

1 with a physical presence in Nebraska in compliance with state and
2 federal law, the commission shall grant authorization to operate
3 on a continuing basis unless the commission determines that an
4 additional review period is appropriate based on the standards
5 established pursuant to section 6 of this act.

6 (3) Except as otherwise provided in this section,
7 modifications, as defined by the commission in rules and
8 regulations, to an existing authorization to operate shall require
9 an application to the commission. After review of the application,
10 including any further information submitted by the applicant as
11 required by the commission and any investigation of the applicant
12 as the commission may deem necessary or appropriate, the commission
13 shall grant or deny the application. Approval of the application
14 may be on such terms and conditions as the commission may specify.
15 Such authorization shall be for a five-year period unless the
16 commission determines that a shorter period of time is appropriate
17 based on the standards established pursuant to section 6 of this
18 act.

19 (4) If an application for an initial authorization to
20 operate or a modification to an existing authorization to operate
21 includes a request to establish a new campus in this state, as
22 defined by the commission in rules and regulations, the commission
23 shall hold a public hearing. The hearing shall be scheduled
24 following a completed review of the application for authorization
25 to operate or the modification of an authorization to operate,
26 including any further information submitted by the applicant as
27 required by the commission and any investigation of the applicant

1 as the commission may deem necessary or appropriate, and shall be
2 conducted according to the Administrative Procedure Act. After the
3 public hearing, the commission shall grant or deny the application.
4 A grant of authorization to operate or the modification of an
5 authorization to operate may be on such terms and conditions as the
6 commission may specify. Such authorization or modification shall
7 be for a five-year period unless the commission determines that
8 a shorter period of time is appropriate based on the standards
9 established pursuant to section 6 of this act.

10 Sec. 13. An authorization to operate shall be in a
11 form approved by the commission and shall state in a clear and
12 conspicuous manner at least the following information:

13 (1) The date of issuance, effective date, and term of the
14 authorization to operate;

15 (2) The full and correct name and address of the
16 institution authorized to operate;

17 (3) The authority for authorization to operate and the
18 conditions thereof; and

19 (4) Any limitation of authorization to operate as deemed
20 necessary by the commission.

21 Sec. 14. Any postsecondary institution authorized to
22 operate which ceases to meet any of the requirements of the
23 Postsecondary Institution Act, any rules or regulations adopted and
24 promulgated under the act, or any terms or conditions specified by
25 the commission for authorization to operate under the act shall be
26 notified in writing of any such specific deficiency by certified
27 mail. A hearing shall be scheduled requiring the institution

1 to show cause why the authorization to operate should not be
2 suspended or revoked. The hearing shall be held according to the
3 Administrative Procedure Act. After the hearing, if the commission
4 determines that any requirements, rules or regulations, or terms
5 and conditions have been violated, the commission may suspend or
6 revoke the authorization to operate or may require action as a
7 condition of continued authorization to operate.

8 Sec. 15. The authorization to operate or authorization
9 to operate on a continuing basis shall be issued to the owner
10 or governing body of the postsecondary institution and shall be
11 nontransferable. If there is a change in ownership, as defined by
12 the commission in rules and regulations, the new owner or governing
13 body shall, within thirty days after the change of ownership,
14 apply for a new authorization to operate under the Postsecondary
15 Institution Act, and if the institution fails to apply within such
16 time period, the original authorization to operate shall terminate.
17 An application for a new authorization to operate may be deemed an
18 application for renewal of the institution's original authorization
19 to operate. Verification that all student records are transferred
20 intact and in good condition to the new owner shall accompany the
21 application.

22 Sec. 16. At least ninety days prior to the expiration
23 of its authorization to operate, a postsecondary institution shall
24 complete and file with the commission an application form for
25 renewal of its authorization to operate. Financial stability
26 information shall accompany the application.

27 Sec. 17. (1) Any institution denied an authorization

1 to operate, a renewal of an authorization to operate, or an
2 authorization to operate on a continuing basis by the commission
3 shall have the right to a hearing and a review of such decision
4 by the commission. If upon written notification of a denial the
5 aggrieved party desires a hearing and review, such party shall
6 notify the commission in writing within ten business days after
7 receipt of notice by the commission. If the aggrieved party does
8 not notify the commission pursuant to this section, the action
9 shall be deemed final. Upon receipt of such notice from the
10 aggrieved party, the commission shall fix the time and place
11 for a hearing and shall notify the aggrieved party of such by
12 certified mail. The hearing shall be conducted according to the
13 Administrative Procedure Act.

14 (2) A decision of the commission following such hearing
15 shall be deemed final subject to the right of judicial review
16 provided in the Administrative Procedure Act. All matters presented
17 at any such hearing shall be acted upon promptly by the commission,
18 and the commission shall notify all parties in writing of
19 its decision, which shall include a statement of findings and
20 conclusions upon all material issues of fact, law, or discretion
21 presented at the hearing and the appropriate rule, regulation,
22 order, sanction, relief, or denial thereof.

23 Sec. 18. (1) Any person claiming damage or loss as a
24 result of any act or practice by a postsecondary institution
25 which is a violation of the Postsecondary Institution Act, of the
26 rules and regulations adopted and promulgated under the act, or
27 of standards established pursuant to section 6 of this act may

1 file with the commission a complaint against such institution. The
2 complaint shall set forth the alleged violation and shall contain
3 such other information as may be required by the commission. A
4 complaint may also be filed with the commission by the executive
5 director or the Attorney General.

6 (2) If efforts by the commission to resolve the complaint
7 are not successful and if the commission deems it appropriate,
8 the commission may hold a hearing on such complaint after ten
9 days' written notice by certified mail, return receipt requested,
10 to such institution, giving notice of a time and place for the
11 hearing on such complaint. Such hearing shall be conducted in
12 accordance with the Administrative Procedure Act. If, upon all
13 evidence at the hearing, the commission finds that a postsecondary
14 institution has engaged in or is engaging in any act or practice
15 which violates the Postsecondary Institution Act, the rules and
16 regulations adopted and promulgated under the act, or the standards
17 established pursuant to section 6 of this act, the commission
18 shall issue and cause to be served upon such institution an order
19 requiring such institution to cease and desist from such act or
20 practice. The commission may also, as appropriate, based on its
21 own investigation or the evidence adduced at such hearing or both,
22 commence an action:

23 (a) To revoke an institution's authorization to operate
24 if the institution does not have an authorization to operate on a
25 continuing basis; or

26 (b) To refer the complaint and all related evidence to
27 the Attorney General.

1 Sec. 19. Any person aggrieved or adversely affected by
2 any final commission action may appeal such action. The appeal
3 shall be in accordance with the Administrative Procedure Act.

4 Sec. 20. The Attorney General or the county attorney of
5 the county in which a postsecondary institution is located, at the
6 request of the commission or on his or her own accord, may bring
7 any appropriate action or proceeding in any court of competent
8 jurisdiction to enforce the Postsecondary Institution Act.

9 Sec. 21. If it appears to the commission that any entity
10 is or has been violating the Postsecondary Institution Act or
11 any of the rules, regulations, or orders of the commission, the
12 commission may file a petition for injunction in the name of the
13 commission in any court of competent jurisdiction in this state
14 against such entity for the purpose of enjoining such violation
15 or for an order directing compliance with the act and any rules,
16 regulations, and orders. The commission shall not be required to
17 allege or prove that there is no adequate remedy at law. The right
18 of injunction provided in this section shall be in addition to any
19 other legal remedy which the commission may possess and shall be in
20 addition to any right of criminal prosecution provided by law. The
21 commission shall not obtain a temporary restraining order without
22 notice to the entity affected. The pendency of commission action
23 with respect to alleged violations shall not operate as a bar to an
24 action for injunctive relief pursuant to this section.

25 Sec. 22. Section 9-812, Revised Statutes Cumulative
26 Supplement, 2010, as amended by section 1, Legislative Bill 333,
27 One Hundred Second Legislature, First Session, 2011, is amended to

1 read:

2 9-812 (1) All money received from the operation of
3 lottery games conducted pursuant to the State Lottery Act in
4 Nebraska shall be credited to the State Lottery Operation Trust
5 Fund, which fund is hereby created. All payments of the costs
6 of establishing and maintaining the lottery games shall be made
7 from the State Lottery Operation Cash Fund. In accordance with
8 legislative appropriations, money for payments for expenses of the
9 division shall be transferred from the State Lottery Operation
10 Trust Fund to the State Lottery Operation Cash Fund, which fund
11 is hereby created. All money necessary for the payment of lottery
12 prizes shall be transferred from the State Lottery Operation Trust
13 Fund to the State Lottery Prize Trust Fund, which fund is hereby
14 created. The amount used for the payment of lottery prizes shall
15 not be less than forty percent of the dollar amount of the lottery
16 tickets which have been sold.

17 (2) Beginning October 1, 2003, a portion of the dollar
18 amount of the lottery tickets which have been sold on an annualized
19 basis shall be transferred from the State Lottery Operation Trust
20 Fund to the Education Innovation Fund, the Nebraska Opportunity
21 Grant Fund, the Nebraska Environmental Trust Fund, the Nebraska
22 State Fair Board, and the Compulsive Gamblers Assistance Fund. The
23 dollar amount transferred pursuant to this subsection shall equal
24 the greater of (a) the dollar amount transferred to the funds
25 in fiscal year 2002-03 or (b) any amount which constitutes at
26 least twenty-two percent and no more than twenty-five percent of
27 the dollar amount of the lottery tickets which have been sold on

1 an annualized basis. To the extent that funds are available, the
2 Tax Commissioner and director may authorize a transfer exceeding
3 twenty-five percent of the dollar amount of the lottery tickets
4 sold on an annualized basis.

5 (3) Of the money available to be transferred to the
6 Education Innovation Fund, the Nebraska Opportunity Grant Fund, the
7 Nebraska Environmental Trust Fund, the Nebraska State Fair Board,
8 and the Compulsive Gamblers Assistance Fund:

9 (a) The first five hundred thousand dollars shall be
10 transferred to the Compulsive Gamblers Assistance Fund to be used
11 as provided in section 71-817;

12 (b) Nineteen and three-fourths percent of the money
13 remaining after the payment of prizes and operating expenses and
14 the initial transfer to the Compulsive Gamblers Assistance Fund
15 shall be transferred to the Education Innovation Fund;

16 (c) Twenty-four and three-fourths percent of the money
17 remaining after the payment of prizes and operating expenses and
18 the initial transfer to the Compulsive Gamblers Assistance Fund
19 shall be transferred to the Nebraska Opportunity Grant Fund;

20 (d) Forty-four and one-half percent of the money
21 remaining after the payment of prizes and operating expenses and
22 the initial transfer to the Compulsive Gamblers Assistance Fund
23 shall be transferred to the Nebraska Environmental Trust Fund to be
24 used as provided in the Nebraska Environmental Trust Act;

25 (e) Ten percent of the money remaining after the payment
26 of prizes and operating expenses and the initial transfer to
27 the Compulsive Gamblers Assistance Fund shall be transferred to

1 the Nebraska State Fair Board if the most populous city within
2 the county in which the fair is located provides matching funds
3 equivalent to ten percent of the funds available for transfer. Such
4 matching funds may be obtained from the city and any other private
5 or public entity, except that no portion of such matching funds
6 shall be provided by the state. If the Nebraska State Fair ceases
7 operations, ten percent of the money remaining after the payment
8 of prizes and operating expenses and the initial transfer to the
9 Compulsive Gamblers Assistance Fund shall be transferred to the
10 General Fund; and

11 (f) One percent of the money remaining after the payment
12 of prizes and operating expenses and the initial transfer to the
13 Compulsive Gamblers Assistance Fund shall be transferred to the
14 Compulsive Gamblers Assistance Fund to be used as provided in
15 section 71-817.

16 (4) (a) The Education Innovation Fund is created. At least
17 seventy-five percent of the lottery proceeds allocated to the
18 Education Innovation Fund shall be available for disbursement.

19 (b) For fiscal year 2010-11, the Education Innovation
20 Fund shall be allocated as follows: The first one million
21 dollars shall be transferred to the Excellence in Teaching Cash
22 Fund to fund the Excellence in Teaching Act, and the amount
23 remaining in the Education Innovation Fund shall be allocated,
24 after administrative expenses, for distance education equipment and
25 incentives pursuant to sections 79-1336 and 79-1337.

26 (c) For fiscal year 2011-12, the Education Innovation
27 Fund shall be allocated as follows: (i) The first two hundred

1 twenty-five thousand dollars shall be transferred to the Excellence
2 in Teaching Cash Fund to fund the Attracting Excellence to Teaching
3 Program; (ii) the next three million three hundred sixty-five
4 thousand nine hundred sixty-two dollars shall be distributed
5 to school districts as grants pursuant to the Early Childhood
6 Education Grant Program; (iii) the next two million one hundred
7 seventy-five thousand six hundred seventy-three dollars shall be
8 distributed to local systems as grants for approved accelerated
9 or differentiated curriculum programs for students identified as
10 learners with high ability pursuant to section 79-1108.02; (iv)
11 the next four hundred ninety-one thousand five hundred forty-one
12 dollars shall be used by the State Department of Education for
13 the development of an integrated early childhood, elementary,
14 secondary, and postsecondary student information system; (v) the
15 next four hundred fifty thousand dollars shall fund the Center
16 for Student Leadership and Extended Learning Act; (vi) the next
17 one hundred fourteen thousand six hundred twenty-nine dollars shall
18 fund the multicultural education program created under section
19 79-720; (vii) the next one hundred twenty-three thousand four
20 hundred sixty-eight dollars shall be used by the department to
21 employ persons to investigate and prosecute alleged violations as
22 provided in section 79-868; ~~and~~ (viii) up to the next one hundred
23 sixty thousand dollars shall be used by the department to implement
24 section 26 of this act; and (ix) the amount remaining shall be
25 allocated, after administrative expenses, for distance education
26 equipment and incentives pursuant to sections 79-1336 and 79-1337.

27 (d) For fiscal year 2012-13, the Education Innovation

1 Fund shall be allocated as follows: (i) The first forty-five
2 thousand dollars shall be transferred to the Excellence in Teaching
3 Cash Fund to fund the Attracting Excellence to Teaching Program;
4 (ii) the next three million three hundred sixty-five thousand
5 nine hundred sixty-two dollars shall be distributed to school
6 districts as grants pursuant to the Early Childhood Education
7 Grant Program; (iii) the next two million one hundred seventy-five
8 thousand six hundred seventy-three dollars shall be distributed to
9 local systems as grants for approved accelerated or differentiated
10 curriculum programs for students identified as learners with
11 high ability pursuant to section 79-1108.02; (iv) the next one
12 hundred eight thousand one hundred thirty-six dollars shall be
13 used by the department for the development of an integrated
14 early childhood, elementary, secondary, and postsecondary student
15 information system; (v) the next four hundred fifty thousand
16 dollars shall fund the Center for Student Leadership and Extended
17 Learning Act; (vi) the next one hundred fourteen thousand six
18 hundred twenty-nine dollars shall be used by the department to fund
19 the multicultural education program created under section 79-720;
20 (vii) the next one hundred twenty-three thousand four hundred
21 sixty-eight dollars shall be used by the department to employ
22 persons to investigate and prosecute alleged violations as provided
23 in section 79-868; ~~and~~ (viii) up to the next one hundred sixty
24 thousand dollars shall be used by the department to implement
25 section 26 of this act; and (ix) the amount remaining shall be
26 allocated, after administrative expenses, for distance education
27 equipment and incentives pursuant to sections 79-1336 and 79-1337.

1 (e) For fiscal ~~years~~ year 2013-14, ~~through~~ 2015-16,
2 the Education Innovation Fund shall be allocated as follows:
3 (i) The first one million dollars shall be transferred to the
4 Excellence in Teaching Cash Fund to fund the Excellence in
5 Teaching Act; (ii) the next allocation shall be distributed to
6 local systems as grants for approved accelerated or differentiated
7 curriculum programs for students identified as learners with high
8 ability pursuant to section 79-1108.02 in an aggregated amount
9 up to the amount distributed in the prior fiscal year for such
10 purposes increased by the basic allowable growth rate pursuant to
11 section 79-1025; (iii) the next allocation shall be used by the
12 State Department of Education for the integrated early childhood,
13 elementary, secondary, and postsecondary student information system
14 in an aggregated amount up to the amount used in the prior fiscal
15 year for such purposes increased by the basic allowable growth
16 rate pursuant to section 79-1025; (iv) the next allocation shall
17 fund the Center for Student Leadership and Extended Learning Act
18 in an aggregated amount up to the amount used in the prior fiscal
19 year for such purposes increased by the basic allowable growth
20 rate pursuant to section 79-1025; (v) the next allocation shall be
21 used by the department to fund the multicultural education program
22 created under section 79-720 in an aggregated amount up to the
23 amount used in the prior fiscal year for such purposes increased
24 by the basic allowable growth rate pursuant to section 79-1025;
25 (vi) the next allocation shall be used by the department to employ
26 persons to investigate and prosecute alleged violations as provided
27 in section 79-868 in an aggregated amount up to the amount used

1 in the prior fiscal year for such purposes increased by the basic
2 allowable growth rate pursuant to section 79-1025; ~~and~~ (vii) up
3 to the next one hundred sixty thousand dollars shall be used by
4 the department to implement section 26 of this act; and (viii)
5 the amount remaining shall be allocated, after administrative
6 expenses, for distance education equipment and incentives pursuant
7 to sections 79-1336 and 79-1337.

8 (f) For fiscal years 2014-15 and 2015-16, the Education
9 Innovation Fund shall be allocated as follows: (i) The first
10 one million dollars shall be transferred to the Excellence in
11 Teaching Cash Fund to fund the Excellence in Teaching Act; (ii)
12 the next allocation shall be distributed to local systems as grants
13 for approved accelerated or differentiated curriculum programs
14 for students identified as learners with high ability pursuant
15 to section 79-1108.02 in an aggregated amount up to the amount
16 distributed in the prior fiscal year for such purposes increased
17 by the basic allowable growth rate pursuant to section 79-1025;
18 (iii) the next allocation shall be used by the State Department
19 of Education for the integrated early childhood, elementary,
20 secondary, and postsecondary student information system in an
21 aggregated amount up to the amount used in the prior fiscal year
22 for such purposes increased by the basic allowable growth rate
23 pursuant to section 79-1025; (iv) the next allocation shall fund
24 the Center for Student Leadership and Extended Learning Act in
25 an aggregated amount up to the amount used in the prior fiscal
26 year for such purposes increased by the basic allowable growth
27 rate pursuant to section 79-1025; (v) the next allocation shall

1 be used by the department to fund the multicultural education
2 program created under section 79-720 in an aggregated amount up
3 to the amount used in the prior fiscal year for such purposes
4 increased by the basic allowable growth rate pursuant to section
5 79-1025; (vi) the next allocation shall be used by the department
6 to employ persons to investigate and prosecute alleged violations
7 as provided in section 79-868 in an aggregated amount up to the
8 amount used in the prior fiscal year for such purposes increased
9 by the basic allowable growth rate pursuant to section 79-1025; and
10 (vii) the amount remaining shall be allocated, after administrative
11 expenses, for distance education equipment and incentives pursuant
12 to sections 79-1336 and 79-1337.

13 ~~(f)~~ (g) For fiscal year 2016-17 and each fiscal year
14 thereafter, the Education Innovation Fund shall be allocated, after
15 administrative expenses, for education purposes as provided by the
16 Legislature.

17 (5) Any money in the State Lottery Operation Trust
18 Fund, the State Lottery Operation Cash Fund, the State Lottery
19 Prize Trust Fund, or the Education Innovation Fund available
20 for investment shall be invested by the state investment officer
21 pursuant to the Nebraska Capital Expansion Act and the Nebraska
22 State Funds Investment Act.

23 (6) Unclaimed prize money on a winning lottery ticket
24 shall be retained for a period of time prescribed by rules and
25 regulations. If no claim is made within such period, the prize
26 money shall be used at the discretion of the Tax Commissioner for
27 any of the purposes prescribed in this section.

1 Sec. 23. Section 38-2622, Reissue Revised Statutes of
2 Nebraska, as amended by section 4, Legislative Bill 334, One
3 Hundred Second Legislature, First Session, 2011, is amended to
4 read:

5 38-2622 Annual financial payments made under sections
6 38-2620 to 38-2623 shall be limited to students who participated
7 in or were accepted into the program in the academic year 2010-11
8 and shall continue for the remaining academic year or years that
9 any such student is enrolled in an accredited school or college of
10 optometry subject to the limitation provided in section 38-2623.

11 Sec. 24. Section 77-2704.12, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-2704.12 (1) Sales and use taxes shall not be imposed
14 on the gross receipts from the sale, lease, or rental of and the
15 storage, use, or other consumption in this state of purchases by
16 (a) any nonprofit organization created exclusively for religious
17 purposes, (b) any nonprofit organization providing services
18 exclusively to the blind, (c) any nonprofit private educational
19 institution established under sections 79-1601 to 79-1607, (d) any
20 ~~nonprofit private college or university established under sections~~
21 ~~85-1101 to 85-1111,~~ regionally or nationally accredited, nonprofit,
22 privately controlled college or university with its primary campus
23 physically located in Nebraska, (e) any nonprofit (i) hospital,
24 (ii) health clinic when two or more hospitals or the parent
25 corporations of the hospitals own or control the health clinic
26 for the purpose of reducing the cost of health services or when
27 the health clinic receives federal funds through the United States

1 Public Health Service for the purpose of serving populations that
2 are medically underserved, (iii) skilled nursing facility, (iv)
3 intermediate care facility, (v) assisted-living facility, (vi)
4 intermediate care facility for the mentally retarded, (vii) nursing
5 facility, (viii) home health agency, (ix) hospice or hospice
6 service, or (x) respite care service licensed under the Health Care
7 Facility Licensure Act, (f) any nonprofit licensed child-caring
8 agency, (g) any nonprofit licensed child placement agency, or (h)
9 any nonprofit organization certified by the Department of Health
10 and Human Services to provide community-based services for persons
11 with developmental disabilities.

12 (2) Any organization listed in subsection (1) of this
13 section shall apply for an exemption on forms provided by the
14 Tax Commissioner. The application shall be approved and a numbered
15 certificate of exemption received by the applicant organization in
16 order to be exempt from the sales and use tax.

17 (3) The appointment of purchasing agents shall be
18 recognized for the purpose of altering the status of the
19 construction contractor as the ultimate consumer of building
20 materials which are physically annexed to the structure and
21 which subsequently belong to the owner of the organization or
22 institution. The appointment of purchasing agents shall be in
23 writing and occur prior to having any building materials annexed
24 to real estate in the construction, improvement, or repair. The
25 contractor who has been appointed as a purchasing agent may apply
26 for a refund of or use as a credit against a future use tax
27 liability the tax paid on inventory items annexed to real estate

1 in the construction, improvement, or repair of a project for a
2 licensed not-for-profit institution.

3 (4) Any organization listed in subsection (1) of this
4 section which enters into a contract of construction, improvement,
5 or repair upon property annexed to real estate without first
6 issuing a purchasing agent authorization to a contractor or
7 repairperson prior to the building materials being annexed to
8 real estate in the project may apply to the Tax Commissioner for
9 a refund of any sales and use tax paid by the contractor or
10 repairperson on the building materials physically annexed to real
11 estate in the construction, improvement, or repair.

12 (5) Any person purchasing, storing, using, or
13 otherwise consuming building materials in the performance of any
14 construction, improvement, or repair by or for any institution
15 enumerated in subsection (1) of this section which is licensed upon
16 completion although not licensed at the time of construction or
17 improvement, which building materials are annexed to real estate
18 and which subsequently belong to the owner of the institution,
19 shall pay any applicable sales or use tax thereon. Upon becoming
20 licensed and receiving a numbered certificate of exemption,
21 the institution organized not for profit shall be entitled to
22 a refund of the amount of taxes so paid in the performance
23 of such construction, improvement, or repair and shall submit
24 whatever evidence is required by the Tax Commissioner sufficient
25 to establish the total sales and use tax paid upon the building
26 materials physically annexed to real estate in the construction,
27 improvement, or repair.

1 Sec. 25. Section 79-757, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 79-757 Sections 79-757 to 79-762 and section 26 of this
4 act shall be known and may be cited as the Quality Education
5 Accountability Act.

6 Sec. 26. Beginning with the 2011-12 school year, the
7 State Department of Education may implement a three-year pilot
8 project for the districtwide administration of a standard college
9 admission test, selected by the State Board of Education, to
10 students in the eleventh grade attending a public school in a
11 participating school district to determine if such test (1) would
12 improve the college-going rate and career readiness of Nebraska
13 students and (2) could be utilized as the assessment for the
14 one grade in high school as required under section 79-760.03.
15 Participation by school districts in the pilot project shall be
16 voluntary and shall be subject to the approval of the board. On
17 or before September 1, 2012, and on or before September 1 each
18 year thereafter through 2014, the department shall report to the
19 Governor, the Clerk of the Legislature, and the chairperson of the
20 Education Committee of the Legislature on the pilot project. The
21 project shall be paid for with funds from the Education Innovation
22 Fund as provided in section 9-812.

23 Sec. 27. Section 85-943, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 85-943 The University of Nebraska may continue to
26 offer the associate degree, diploma, and ~~certificate-in-course~~
27 certificate in agriculturally related fields, radiologic

1 technology, radiation therapy, nuclear medicine technology,
2 and engineering technology if approved by the Coordinating
3 Commission for Postsecondary Education pursuant to sections 85-1413
4 and 85-1414 upon the demonstration of a compelling need and
5 unique capacity by the university to offer such programs. The
6 University of Nebraska shall not offer associate degrees or less
7 than associate-degree-level diplomas or ~~certificates-in-course~~
8 certificates in other than authorized and approved programs.
9 If approved by the Coordinating Commission for Postsecondary
10 Education pursuant to sections 85-1413 and 85-1414, the University
11 of Nebraska may offer certificates within fields in addition to
12 those specified in this section if the preponderance of courses
13 comprising those certificates are above the associate-degree level.

14 Sec. 28. Section 85-961, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 85-961 The community colleges shall have, except in
17 specified program areas authorized by statute and the Coordinating
18 Commission for Postsecondary Education, sole responsibility for the
19 award of associate degrees, diplomas, and ~~certificates in less~~
20 ~~than baccalaureate degree program areas~~ certificates comprised of
21 courses at the associate-degree level or below and approved by the
22 commission pursuant to sections 85-1413 and 85-1414.

23 Sec. 29. Section 85-1412, Revised Statutes Cumulative
24 Supplement, 2010, is amended to read:

25 85-1412 The commission shall have the following
26 additional powers and duties:

27 (1) Conduct surveys and studies as may be necessary to

1 undertake the coordination function of the commission pursuant
2 to section 85-1403 and request information from governing
3 boards and appropriate administrators of public institutions and
4 other governmental agencies for research projects. All public
5 institutions and governmental agencies receiving state funds
6 shall comply with reasonable requests for information under this
7 subdivision. Public institutions may comply with such requests
8 pursuant to section 85-1417;

9 (2) Recommend to the Legislature and the Governor
10 legislation it deems necessary or appropriate to improve
11 postsecondary education in Nebraska and any other legislation it
12 deems appropriate to change the role and mission provisions in
13 sections 85-917 to 85-966.01;

14 (3) Establish any advisory committees as may be necessary
15 to undertake the coordination function of the commission pursuant
16 to section 85-1403 or to solicit input from affected parties
17 such as students, faculty, governing boards, administrators
18 of the public institutions, administrators of the private
19 nonprofit institutions of postsecondary education and proprietary
20 institutions in the state, and community and business leaders
21 regarding the coordination function of the commission;

22 (4) Participate in or designate an employee or employees
23 to participate in any committee which may be created to prepare
24 a coordinated plan for the delivery of educational programs and
25 services in Nebraska through the telecommunications system;

26 (5) Seek a close liaison with the State Board of
27 Education and the State Department of Education in recognition

1 of the need for close coordination of activities between elementary
2 and secondary education and postsecondary education;

3 (6) Administer the Integrated Postsecondary Education
4 Data System or other information system or systems to provide the
5 commission with timely, comprehensive, and meaningful information
6 pertinent to the exercise of its duties. The information system
7 shall be designed to provide comparable data on each public
8 institution. The commission shall also administer the uniform
9 information system prescribed in sections 85-1421 to 85-1427 known
10 as the Nebraska Educational Data System. Public institutions shall
11 supply the appropriate data for the information system or systems
12 required by the commission;

13 (7) Administer the Access College Early Scholarship
14 Program Act, and the Nebraska Opportunity Grant Act, and the
15 Postsecondary Institution Act;

16 (8) Accept and administer loans, grants, and programs
17 from the federal or state government and from other sources, public
18 and private, for carrying out any of its functions, including
19 the administration of privately endowed scholarship programs. Such
20 loans and grants shall not be expended for any other purposes than
21 those for which the loans and grants were provided. The commission
22 shall determine eligibility for such loans, grants, and programs,
23 and such loans and grants shall not be expended unless approved by
24 the Governor;

25 ~~(9) Consistent with section 85-1620, approve, in a~~
26 ~~timely manner, new baccalaureate degree programs to be offered~~
27 ~~at private postsecondary career schools as defined in section~~

1 ~~85-1603.~~ The commission may charge a reasonable fee based on
2 its administrative costs for authorizations pursuant to this
3 subdivision and section 85-1620. The commission shall report such
4 action to the Commissioner of Education;

5 ~~(10)~~ Pursuant to sections 85-1101 to 85-1104, authorize
6 out-of-state institutions of higher or postsecondary education to
7 offer courses or degree programs in this state;

8 ~~(11)~~ Pursuant to sections 85-1105 to 85-1111, approve
9 or disapprove petitions to establish new private colleges in this
10 state;

11 ~~(12)~~ (9) On or before December 1, 2000, and on or
12 before December 1 every two years thereafter, of each even-numbered
13 year, submit to the Legislature and the Governor a report of its
14 objectives and activities and any new private colleges in Nebraska
15 and the implementation of any recommendations of the commission for
16 the preceding two calendar years;

17 ~~(13)~~ (10) Provide staff support for interstate compacts
18 on postsecondary education;

19 ~~(14)~~ (11) Request inclusion of the commission in any
20 existing grant review process and information system; and

21 (12) In collaboration with the State Department
22 of Education, public and private postsecondary educational
23 institutions, private, denominational, or parochial secondary
24 schools, educational service units, and school districts, conduct
25 a study regarding the need for uniform policies and practices for
26 dual-enrollment courses and career academies in Nebraska, including
27 transferability of dual-enrollment courses and consistency of

1 administration of career academies. The study shall also include
2 a review of any program that provides Nebraska high school
3 students with the opportunity to earn college credit or advanced
4 placement through participation in courses and examinations
5 administered by a not-for-profit organization and of the need
6 for uniform policies and practices related to the acceptance
7 and transferability of such courses and the college credit or
8 advanced placement earned as a result of a student's performance
9 on such examinations. The commission shall report the findings of
10 such study and its recommendations, including recommendations for
11 possible legislation, to the Legislature on or before December 15,
12 2011. For purposes of this subdivision, dual-enrollment course has
13 the same definition as provided in section 79-1201.01.

14 ~~(15) Facilitate a study that explores the following~~
15 ~~issues related to the Nebraska community college system:~~

16 ~~(a) The need for changes to the statutory role and~~
17 ~~mission of Nebraska community colleges;~~

18 ~~(b) Changes in the weighting of courses that may be~~
19 ~~necessary for reimbursable educational units to properly reflect~~
20 ~~the role and mission of Nebraska community colleges and the cost of~~
21 ~~providing such courses;~~

22 ~~(c) Powers, duties, and mission of the Nebraska Community~~
23 ~~College Association or its successor and whether membership in such~~
24 ~~an association should be required;~~

25 ~~(d) Consequences for failing to satisfy current community~~
26 ~~college association membership requirements contained in section~~
27 ~~85-1502; and~~

1 ~~(e) State coordination of community colleges in the~~
2 ~~absence of a community college association or membership therein.~~

3 ~~The commission shall include and facilitate discussion~~
4 ~~among the state's community colleges in the completion of such~~
5 ~~study. Each community college shall participate in good faith with~~
6 ~~the conduct of such study. The commission shall report its findings~~
7 ~~to the Legislature on or before December 15, 2009.~~

8 Sec. 30. Section 85-1604, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 85-1604 The following education and schools are exempted
11 from the Private Postsecondary Career School Act:

12 (1) Schools exclusively offering instruction at any or
13 all levels from preschool through the twelfth grade;

14 (2) Education sponsored by a bona fide trade, business,
15 professional, or fraternal organization which is offered solely for
16 that organization's membership or offered without charge;

17 (3) Education provided by or funded by an employer and
18 offered solely to its employees for the purpose of improving such
19 persons in such employment;

20 (4) Education solely avocational or recreational in
21 nature as determined by the department;

22 (5) Educational programs offered by a charitable
23 institution, organization, or agency as long as such education
24 or training is not advertised or promoted as leading toward
25 occupational objectives;

26 (6) Public postsecondary schools established, operated,
27 and governed by this state or its political subdivisions;

1 (7) ~~Except as provided in subdivision (9) of this~~
2 ~~section,~~ Schools or organizations offering education or
3 instruction that is not part of a degree program leading to an
4 associate, a baccalaureate, a graduate, or a professional degree
5 which are licensed and regulated by agencies of this state other
6 than the department, ~~as of September 2, 1977,~~ except that such
7 schools or organizations shall not be exempt from the act with
8 respect to agents' permits and the Tuition Recovery Cash Fund;

9 (8) Schools or organizations which offer education or
10 instruction and which are licensed and regulated solely by an
11 agency of the federal government with respect to curriculum and
12 qualifications of instructional staff;

13 ~~(9) Not-for-profit private colleges, universities, and~~
14 ~~entities (a) which awarded baccalaureate or higher degrees prior to~~
15 ~~May 27, 2003, which maintain and operate educational programs for~~
16 ~~which credit is given, and which are in compliance with sections~~
17 ~~85-1105 to 85-1111 or (b) which award baccalaureate or higher~~
18 ~~degrees, which maintain and operate educational programs for which~~
19 ~~credit is given, which are in compliance with sections 85-1105 to~~
20 ~~85-1111, and which are regionally accredited;~~

21 ~~(10) For-profit colleges, universities, and entities~~
22 ~~which award baccalaureate or higher degrees, which are in~~
23 ~~compliance with sections 85-1105 to 85-1111, and which are~~
24 ~~regionally accredited;~~

25 (11) Institutions which have previously been regulated
26 as private postsecondary career schools pursuant to the Private
27 Postsecondary Career School Act, which have become regionally

1 accredited, and which have been approved by the commission to
2 offer baccalaureate degrees or higher pursuant to sections 85-1105
3 to 85-1111. Institutions which have previously been regulated as
4 private postsecondary career schools and which have been approved
5 by the commission to offer baccalaureate degrees pursuant to
6 sections 85-1105 to 85-1111 but which have not become regionally
7 accredited shall remain under the jurisdiction of the State
8 Department of Education and subject to the Private Postsecondary
9 Career School Act; and

10 (9) Any postsecondary institution offering or proposing
11 to offer courses or programs leading to a baccalaureate, graduate,
12 or professional degree, but whose offerings may include associate
13 degree programs, diplomas, and other certificates based on the
14 award of college credit, including any institutions regulated
15 before the effective date of this act as private postsecondary
16 career schools pursuant to the Private Postsecondary Career School
17 Act; and

18 ~~(12)~~ (10) Entities exclusively offering short-term
19 training.

20 Sec. 31. Section 85-1620, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 85-1620 ~~(1)~~ A school which has been accredited pursuant
23 to section 85-1619 may apply to the department for authority
24 to award associate degrees. Upon determining that the quality
25 of the courses of instruction at the applicant school meets the
26 standards established in the department's rules and regulations,
27 the commissioner may grant the applicant the authority to award

1 an associate degree and shall issue a certificate setting forth
2 the programs for which the associate degree may be awarded.
3 Such authorization shall continue so long as the school remains
4 accredited.

5 ~~(2) A school which has been accredited pursuant to
6 section 85-1619 may apply to the department for authority to
7 award baccalaureate degrees. The department shall refer such degree
8 applications to the commission for its review and approval. Within
9 ninety days after receipt of such referral, the commission shall
10 make a determination setting forth the specific program area and
11 the name of the baccalaureate degree program. The commission shall
12 report its determination to the commissioner who shall issue a
13 certificate setting forth the programs for which the baccalaureate
14 degree may be awarded. Such authorization shall continue so long as
15 the school remains accredited.~~

16 Sec. 32. Section 85-1643, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 85-1643 (1) The Private Postsecondary Career Schools
19 Cash Fund is created. All fees collected pursuant to the Private
20 Postsecondary Career School Act shall be remitted to the State
21 Treasurer for credit to the fund. The fund shall be used only for
22 the purpose of administering the act. No fees shall be subject to
23 refund.

24 (2) Except as provided in subsection (4) of this section,
25 fees collected pursuant to the act shall be the following:

26 (a) Initial application for authorization to operate, two
27 hundred dollars plus twenty dollars per program of study offered;

1 (b) Renewal application for authorization to operate, one
2 hundred dollars plus twenty dollars per program of study offered,
3 except that the board may establish a variable fee schedule based
4 upon the prior school year's gross tuition revenue as provided by
5 the school pursuant to section 85-1656;

6 (c) Approval to operate a branch facility, one hundred
7 dollars;

8 (d) Late submission of application, fifty dollars;

9 (e) Initial agent's permit, fifty dollars;

10 (f) Agent's permit renewal, twenty dollars;

11 (g) Accreditation or reaccreditation, one hundred
12 dollars;

13 (h) Initial authorization to award an associate degree,
14 one hundred dollars;

15 ~~(i) Initial authorization to offer a baccalaureate~~
16 ~~degree, two hundred dollars;~~

17 ~~(j) (i) Significant program change, fifty dollars;~~

18 ~~(k) (j) Change of name or location, twenty-five dollars;~~

19 and

20 ~~(l) (k) Additional new program, one hundred dollars.~~

21 (3) Fees for out-of-state schools may include, but shall
22 not exceed the following:

23 (a) Certificate of approval to recruit, five hundred
24 dollars annually;

25 (b) Initial agent's permit, one hundred dollars; and

26 (c) Agent's permit renewal, forty dollars.

27 (4) (a) The board shall consult with the advisory council

1 established pursuant to section 85-1607 regarding any increase
2 in fees under the act. ~~The board may increase fees by not~~
3 ~~more than twenty percent for each year of fiscal years 2003-04,~~
4 ~~2004-05, and 2005-06.~~ Beginning with fiscal year 2006-07 and
5 each year thereafter, the board in consultation with the advisory
6 council shall establish fees sufficient to cover the total cost of
7 administration, except that such fees shall not exceed one hundred
8 ten percent of the previous year's total cost. Such fees shall be
9 set out in the rules and regulations adopted and promulgated by the
10 board.

11 (b) Total cost of administration shall be determined by
12 an annual audit of:

13 (i) Salaries and benefits or portions thereof for those
14 department employees who administer the act;

15 (ii) Operating costs such as rent, utilities, and
16 supplies;

17 (iii) Capital costs such as office equipment, computer
18 hardware, and computer software;

19 (iv) Costs for travel by employees of the department,
20 including car rental, gas, and mileage charges; and

21 (v) Other reasonable and necessary costs as determined by
22 the board.

23 Sec. 33. Section 85-2105, Revised Statutes Cumulative
24 Supplement, 2010, is amended to read:

25 85-2105 (1) An applicant for the Access College Early
26 Scholarship Program shall complete an application form developed
27 and provided by the commission and shall forward the form to his

1 or her guidance counselor. Such application shall include, but
2 not be limited to, the applicant's high school, social security
3 number, date of birth, grade point average, grade level, qualified
4 postsecondary educational institution, and information necessary
5 to determine the student's eligibility. The guidance counselor
6 shall verify the student's eligibility under the Access College
7 Early Scholarship Program Act and shall forward the ~~information~~
8 application to the commission for review within fifteen days
9 following receipt of the form from the student. Notification of
10 tuition and mandatory fees to be accrued by the student shall
11 be provided to the commission by the student, high school, or
12 qualified postsecondary educational institution as determined by
13 the commission.

14 (2) The commission shall review the application and
15 verify the student's eligibility under the act. The commission
16 shall notify the student and the student's guidance counselor of
17 the verification of eligibility and the estimated award amount in
18 writing within thirty days following receipt of the form from the
19 student's guidance counselor. The scholarship award shall equal
20 the lesser of tuition and mandatory fees accrued by the student
21 after any discounts applicable to such student from the qualified
22 postsecondary educational institution or the tuition and mandatory
23 fees that would have been accrued by the student for the same
24 number of credit hours if the student were taking the course as a
25 full-time, resident, undergraduate student from the University of
26 Nebraska-Lincoln. The commission shall forward such amount directly
27 to the qualified postsecondary educational institution as payment

1 of such student's tuition and mandatory fees.

2 (3) The commission shall make such payments in the order
3 the applications are received, except that the commission may limit
4 the number of scholarships awarded in each term.

5 (4) The commission may limit the number of scholarships a
6 student may receive.

7 (5) For any student receiving a scholarship pursuant to
8 the act for tuition and mandatory fees, the qualified postsecondary
9 educational institution receiving the payment shall report either
10 the student's grade for the course or the student's failure to
11 complete the course to the commission within thirty days after
12 the end of the course or within one hundred eighty days after
13 receipt of a payment pursuant to the act if the course for which
14 the scholarship was awarded does not have a specified ending
15 date. The commission shall keep the identity of students receiving
16 scholarships confidential, except as necessary to comply with the
17 requirements of the act.

18 Sec. 34. Original sections 77-2704.12, 79-757, 85-943,
19 85-961, 85-1604, 85-1620, and 85-1643, Reissue Revised Statutes of
20 Nebraska, sections 85-1412 and 85-2105, Revised Statutes Cumulative
21 Supplement, 2010, section 38-2622, Reissue Revised Statutes of
22 Nebraska, as amended by section 4, Legislative Bill 334, One
23 Hundred Second Legislature, First Session, 2011, and section 9-812,
24 Revised Statutes Cumulative Supplement, 2010, as amended by section
25 1, Legislative Bill 333, One Hundred Second Legislature, First
26 Session, 2011, are repealed.

27 Sec. 35. The following sections are outright repealed:

1 Sections 85-1101, 85-1102, 85-1103, 85-1103.01, 85-1103.02,
2 85-1104, 85-1105, 85-1106, 85-1107, 85-1108, 85-1109, 85-1110,
3 85-1110.01, and 85-1111, Reissue Revised Statutes of Nebraska.

4 Sec. 36. Since an emergency exists, this act takes effect
5 when passed and approved according to law.

6 2. On page 1, strike beginning with "the" in line
7 1 through line 16 and insert "education; to amend sections
8 77-2704.12, 79-757, 85-943, 85-961, 85-1604, 85-1620, and 85-1643,
9 Reissue Revised Statutes of Nebraska, sections 85-1412 and 85-2105,
10 Revised Statutes Cumulative Supplement, 2010, section 38-2622,
11 Reissue Revised Statutes of Nebraska, as amended by section
12 4, Legislative Bill 334, One Hundred Second Legislature, First
13 Session, 2011, and section 9-812, Revised Statutes Cumulative
14 Supplement, 2010, as amended by section 1, Legislative Bill 333,
15 One Hundred Second Legislature, First Session, 2011; to adopt the
16 Postsecondary Institution Act; to provide and eliminate sales tax
17 exemption provisions, authorization requirements, and penalties
18 relating to out-of-state institutions of higher education and
19 private colleges; to change provisions relating to the Education
20 Innovation Fund, the Nebraska Optometry Education Assistance
21 Contract Program, authorized offerings of the University of
22 Nebraska and community colleges, the Private Postsecondary Career
23 School Act, and the Access College Early Scholarship Program;
24 to provide for a pilot project for the administration of a
25 standard college admission test; to provide and eliminate duties
26 of the Coordinating Commission for Postsecondary Education; to
27 harmonize provisions; to repeal the original sections; to outright

1 repeal sections 85-1101, 85-1102, 85-1103, 85-1103.01, 85-1103.02,
2 85-1104, 85-1105, 85-1106, 85-1107, 85-1108, 85-1109, 85-1110,
3 85-1110.01, and 85-1111, Reissue Revised Statutes of Nebraska; and
4 to declare an emergency."