

**ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015**  
**COMMITTEE STATEMENT**  
**LB520**

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**Hearing Date:** Monday March 02, 2015  
**Committee On:** Education  
**Introducer:** Sullivan  
**One Liner:** Change provisions relating to transfers to certain education-related funds

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**Roll Call Vote - Final Committee Action:**  
Indefinitely postponed

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**Vote Results:**

<b>Aye:</b>	7	Senators Baker, Cook, Kolowski, Groene, Morfeld, Pansing Brooks, Sullivan
<b>Nay:</b>	1	Senator Schnoor
<b>Absent:</b>		
<b>Present Not Voting:</b>		

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**Verbal Testimony:**

**Proponents:**  
Senator Kate Sullivan

**Representing:**  
Introducer

**Opponents:**  
Mary Sommers  
Jodi Kupper  
Tip O'Neill

**Representing:**  
University of Nebraska  
Nebraska State College System  
Association of Independent Colleges and Universities in Nebraska

**Neutral:**  
Mike Baumgartner

**Representing:**  
Coordinating Commission for Postsecondary Education

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**Summary of purpose and/or changes:**

Legislative Bill 520 would phase in the replacement of lottery fund with general funds for Nebraska Opportunity Grants.

Section 9-812 would be amended to provide transfers from the Nebraska Education Improvement Fund to the Nebraska Opportunity Grant Fund for fiscal years 2016-17, 2017-18, and 2018-19. Through June 30, 2016, pursuant to current law, the Nebraska Opportunity Grant Fund receives 24.75% of the money available for distribution in the State Lottery Operation Trust Fund after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund. The proposal would continue such transfers for an addition three years, but based on the balances from the prior year and reduced by 6.25% each year to 18.5% for 2016-17, 12.25% for 2017-18, and 6% for 2018-19. The transferred funds are to be used in the fiscal year they were received.

Section 85-1920 would be amended to extend the Nebraska Opportunity Grant fund to June 30, 2019 from the current termination date of June 30, 2016. The fund receives lottery funding for the grants, but not the state General Funds appropriated for such purpose. Money accumulated in the fund on June 30, 2016 would be transferred to the Nebraska Education Improvement Fund as scheduled, before the Grant Fund begins receiving funds from the new provisions beginning July 1, 2016.

In intent would also be stated in section 85-1920 for the Legislature to provide all funding for the Nebraska Opportunity Grant Act from the General Fund beginning July 1, 2019, and to replace funding from the lottery with appropriations from the General Fund as the transfers of lottery funds are decreased.

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Kate Sullivan, Chairperson