

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 401

Introduced by Kolterman, 24; Brasch, 16; Ebke, 32; Groene, 42; Howard, 9;
Kuehn, 38; Nordquist, 7.

Read first time January 16, 2015

Committee: Education

1 A BILL FOR AN ACT relating to universities and colleges; to amend section
2 85-1412, Reissue Revised Statutes of Nebraska; to adopt the College
3 Tuition Equalization Grant Program Act; to provide duties for the
4 Coordinating Commission for Postsecondary Education; to provide an
5 operative date; to repeal the original section; and to declare an
6 emergency.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 22 of this act shall be known and may be
2 cited as the College Tuition Equalization Grant Program Act.

3 Sec. 2. The Legislature finds and declares that:

4 (1) Nebraska has an interest in providing quality postsecondary
5 educational opportunities to its citizens in an efficient, cost-
6 effective, and rigorous manner;

7 (2) Nebraska's private colleges and universities are large employers
8 in the state;

9 (3) As part of Nebraska's commitment to ensuring a successful future
10 for its citizens and helping ensure the state's economic vitality, it is
11 imperative that Nebraska utilize the strengths of its privately
12 controlled, nonprofit colleges and universities;

13 (4) In 2013, privately controlled, nonprofit colleges and
14 universities enrolled twenty-four percent of postsecondary education
15 students in Nebraska and awarded more than forty-one percent of all
16 baccalaureate and advanced degrees;

17 (5) In 2013, privately controlled, nonprofit colleges and
18 universities awarded more than fifty-seven percent of the baccalaureate
19 and advanced degrees in business and more than one-third of the
20 baccalaureate and advanced degrees in teacher education;

21 (6) In 2013, privately controlled, nonprofit colleges and
22 universities enrolled a higher percentage of minority students than
23 public colleges and universities and awarded two hundred more degrees to
24 African-American students than the University of Nebraska and the
25 Nebraska state college system combined;

26 (7) In 2013, privately controlled, nonprofit colleges and
27 universities played an important role in the future of quality health
28 care in Nebraska as they awarded more than one-half of baccalaureate and
29 advanced degrees in the health sciences, including nursing;

30 (8) In 2013, students who attended privately controlled, nonprofit
31 colleges and universities received approximately three-tenths of one

1 percent of the total state and local tax expenditures expended for higher
2 education in Nebraska; and

3 (9) Nebraska will enhance its ability to meet its postsecondary
4 education goals by providing additional financial assistance to Nebraska
5 residents who wish to attend a privately controlled, nonprofit college or
6 university located in Nebraska.

7 Sec. 3. For purposes of the College Tuition Equalization Grant
8 Program Act, the definitions found in sections 4 to 12 of this act shall
9 be used.

10 Sec. 4. Award year means the period from July 1 of one year through
11 June 30 of the succeeding year.

12 Sec. 5. Commission means the Coordinating Commission for
13 Postsecondary Education.

14 Sec. 6. Educational expenses means the published student costs for
15 undergraduates for tuition, fees, room and board, and books and an
16 allowance for such other expenses as the commission determines by rule
17 and regulation to be reasonably related to attendance at an eligible
18 postsecondary educational institution.

19 Sec. 7. Eligible postsecondary educational institution means a
20 nonprofit institution not controlled or administered by any state agency
21 or any political subdivision of the state which is:

22 (1) Located in Nebraska;

23 (2) Primarily engaged in instruction of students;

24 (3) Accredited by a regional accrediting organization recognized by
25 the United States Department of Education; and

26 (4) Offering courses and programs of instruction leading to an
27 associate or baccalaureate degree to regularly enrolled undergraduate
28 students who reside in Nebraska and have received high school diplomas or
29 their equivalent.

30 Sec. 8. Eligible student means an individual who is a resident of
31 Nebraska as provided by section 85-502, enrolled as a full-time or part-

1 time undergraduate student at an eligible postsecondary educational
2 institution, and eligible to receive student financial assistance
3 pursuant to Title IV of the federal Higher Education Act of 1965, 20
4 U.S.C. 1001 et seq., as such act and sections existed on January 1, 2015.

5 Sec. 9. Enrollment means the establishment and maintenance of an
6 individual's status as a student in an eligible postsecondary educational
7 institution regardless of the term used at the institution to describe
8 such a status.

9 Sec. 10. Full-time student shall be defined by the commission in
10 the rules and regulations adopted and promulgated by the commission
11 pursuant to the College Tuition Equalization Grant Program Act.

12 Sec. 11. Substantial financial need shall be defined by the
13 commission as eligible to receive financial assistance from federal Title
14 IV financial assistance programs.

15 Sec. 12. Undergraduate student means an individual who has not
16 earned a first baccalaureate or professional degree and is enrolled in a
17 postsecondary educational program which leads to or is creditable toward
18 a first baccalaureate degree, certificate, diploma, or equivalent.

19 Sec. 13. (1) The College Tuition Equalization Grant Program Act
20 shall provide for awards made directly to eligible students demonstrating
21 substantial financial need and shall be administered by the commission in
22 conjunction with eligible postsecondary educational institutions.

23 (2) In order to reduce the costs of administering the act, the
24 commission shall allocate the funds to be distributed pursuant to the act
25 to the eligible postsecondary educational institutions which shall act as
26 the agents of the commission in the distribution of funds to eligible
27 students. To determine the allocation amount for each institution the
28 commission shall:

29 (a) Determine the number of eligible students enrolled in
30 undergraduate programs at the eligible postsecondary educational
31 institution in the last completed award year who received any assistance

1 from federal Title IV financial assistance program and convert that
2 number to full-time equivalency by adding the number of full-time
3 eligible students to a number equal to one-third of the number of part-
4 time eligible students;

5 (b) Multiply the number determined in subdivision (a) of this
6 subsection by the institution's average educational expenses for all
7 full-time undergraduate students for the last completed award year;

8 (c) Divide the product derived pursuant to subdivision (b) of this
9 subsection for each eligible postsecondary educational institution by the
10 sum of the products derived pursuant to subdivision (b) of this
11 subsection for all eligible postsecondary educational institutions; and

12 (d) Multiply the total state funds appropriated for the purpose of
13 distribution pursuant to the act by the ratio derived pursuant to
14 subdivision (c) of this subsection.

15 (3) The maximum award shall not exceed the amount of the average
16 taxpayer subsidy for instruction for an undergraduate student at a four-
17 year public college or university in Nebraska for the preceding fiscal
18 year, as calculated by the commission.

19 (4) In conformance with the rules and regulations of the commission,
20 each eligible postsecondary educational institution shall distribute the
21 funds to eligible students attending the respective institution.

22 Sec. 14. An award may be given to an eligible student for
23 attendance at an eligible postsecondary educational institution if:

24 (1) The award is made directly to the eligible student rather than
25 to the eligible postsecondary educational institution;

26 (2) The eligible student is accepted for enrollment as follows:

27 (a) In the case of an eligible student beginning his or her first
28 year or freshman year of postsecondary education, such eligible student
29 has satisfied requirements for admission and has enrolled or indicated an
30 intent to enroll in an eligible postsecondary educational institution; or

31 (b) In the case of an eligible student enrolled in an eligible

1 postsecondary educational institution following the successful completion
2 of the first year, he or she continues to meet the requirements of the
3 College Tuition Equalization Grant Program Act and has maintained such
4 minimum standards of performance as are required by the institution in
5 which the eligible student is enrolled;

6 (3) The amount of the award given to an eligible student is based on
7 substantial financial need;

8 (4) The award covers at least one award period but no more than one
9 award year of attendance as an undergraduate student at an eligible
10 postsecondary educational institution which has adopted and has available
11 for inspection its refund and repayment policies;

12 (5) The eligible student receiving such an award signs a statement
13 certifying that the award will be used only for educational expenses; and

14 (6) The eligible student has complied with such rules and
15 regulations as may be established by the commission.

16 Sec. 15. An award may be made for an award period not to exceed an
17 award year. If the award recipient discontinues attendance at the
18 eligible postsecondary educational institution before the end of the
19 award period, the award recipient shall remit any award balances
20 allowable to the eligible postsecondary educational institution in
21 accordance with the eligible postsecondary educational institution's
22 withdrawal policy. An eligible postsecondary educational institution may
23 redistribute to other eligible students any award balance returned in
24 accordance with its refund policy. Award funds not distributed or
25 redistributed within the award year in which funds were allocated shall
26 be returned to the commission by the eligible postsecondary educational
27 institution.

28 Sec. 16. The commission shall provide that, in the granting of
29 awards, priority shall be given to full-time eligible students, but the
30 commission may provide that awards may be given to part-time eligible
31 students enrolled in an eligible postsecondary educational institution.

1 Sec. 17. The commission and its agents shall carry out the College
2 Tuition Equalization Grant Program Act without regard to any eligible
3 student's race, creed, color, national origin, ancestry, age, sex, or
4 handicap.

5 Sec. 18. The commission shall:

6 (1) Supervise the issuance of public information concerning the
7 College Tuition Equalization Grant Program Act;

8 (2) Determine criteria for the eligibility of award recipients;

9 (3) Determine the effective date of awards made pursuant to the act;
10 and

11 (4) Determine criteria for setting the minimum and maximum size of
12 the awards and the eligibility of applicants.

13 Sec. 19. The commission shall establish a reasonable and fair
14 appeal procedure for students and eligible postsecondary educational
15 institutions which have been adversely affected by the actions of the
16 commission or eligible postsecondary educational institutions in the
17 distribution of funds or granting of awards pursuant to the College
18 Tuition Equalization Grant Program Act.

19 Sec. 20. The College Tuition Equalization Grant Program Act shall
20 not be construed as granting any authority to the commission to control
21 or influence the policies of any eligible postsecondary educational
22 institution because the eligible postsecondary educational institution
23 accepts students who receive awards nor as requiring any such eligible
24 postsecondary educational institution to admit or, once admitted, to
25 continue in the eligible postsecondary educational institution any
26 student receiving an award.

27 Sec. 21. The commission shall require an annual report from each
28 eligible postsecondary educational institution. The report shall
29 demonstrate that students receiving funds under the College Tuition
30 Equalization Grant Program Act have met the basic criteria established in
31 the act and the rules and regulations of the commission adopted pursuant

1 to the act. The report may include other data as required by the
2 commission.

3 Sec. 22. The commission shall adopt and promulgate rules and
4 regulations necessary to carry out the College Tuition Equalization Grant
5 Program Act.

6 Sec. 23. Section 85-1412, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 85-1412 The commission shall have the following additional powers
9 and duties:

10 (1) Conduct surveys and studies as may be necessary to undertake the
11 coordination function of the commission pursuant to section 85-1403 and
12 request information from governing boards and appropriate administrators
13 of public institutions and other governmental agencies for research
14 projects. All public institutions and governmental agencies receiving
15 state funds shall comply with reasonable requests for information under
16 this subdivision. Public institutions may comply with such requests
17 pursuant to section 85-1417;

18 (2) Recommend to the Legislature and the Governor legislation it
19 deems necessary or appropriate to improve postsecondary education in
20 Nebraska and any other legislation it deems appropriate to change the
21 role and mission provisions in sections 85-917 to 85-966.01. The
22 recommendations submitted to the Legislature shall be submitted
23 electronically;

24 (3) Establish any advisory committees as may be necessary to
25 undertake the coordination function of the commission pursuant to section
26 85-1403 or to solicit input from affected parties such as students,
27 faculty, governing boards, administrators of the public institutions,
28 administrators of the private nonprofit institutions of postsecondary
29 education and proprietary institutions in the state, and community and
30 business leaders regarding the coordination function of the commission;

31 (4) Participate in or designate an employee or employees to

1 participate in any committee which may be created to prepare a
2 coordinated plan for the delivery of educational programs and services in
3 Nebraska through the telecommunications system;

4 (5) Seek a close liaison with the State Board of Education and the
5 State Department of Education in recognition of the need for close
6 coordination of activities between elementary and secondary education and
7 postsecondary education;

8 (6) Administer the Integrated Postsecondary Education Data System or
9 other information system or systems to provide the commission with
10 timely, comprehensive, and meaningful information pertinent to the
11 exercise of its duties. The information system shall be designed to
12 provide comparable data on each public institution. The commission shall
13 also administer the uniform information system prescribed in sections
14 85-1421 to 85-1427 known as the Nebraska Educational Data System. Public
15 institutions shall supply the appropriate data for the information system
16 or systems required by the commission;

17 (7) Administer (a) the Access College Early Scholarship Program Act,
18 (b) the College Tuition Equalization Grant Program Act, (c) the Community
19 College Aid Act, (d e) the Nebraska Community College Student Performance
20 and Occupational Education Grant Fund under the direction of the Nebraska
21 Community College Student Performance and Occupational Education Grant
22 Committee, (e d) the Nebraska Opportunity Grant Act, and (f e) the
23 Postsecondary Institution Act;

24 (8) Accept and administer loans, grants, and programs from the
25 federal or state government and from other sources, public and private,
26 for carrying out any of its functions, including the administration of
27 privately endowed scholarship programs. Such loans and grants shall not
28 be expended for any other purposes than those for which the loans and
29 grants were provided. The commission shall determine eligibility for such
30 loans, grants, and programs, and such loans and grants shall not be
31 expended unless approved by the Governor;

1 (9) On or before December 1 of each even-numbered year, submit to
2 the Legislature and the Governor a report of its objectives and
3 activities and any new private colleges in Nebraska and the
4 implementation of any recommendations of the commission for the preceding
5 two calendar years. The report submitted to the Legislature shall be
6 submitted electronically;

7 (10) Provide staff support for interstate compacts on postsecondary
8 education; and

9 (11) Request inclusion of the commission in any existing grant
10 review process and information system.

11 Sec. 24. This act becomes operative on July 1, 2015.

12 Sec. 25. Original section 85-1412, Reissue Revised Statutes of
13 Nebraska, is repealed.

14 Sec. 26. Since an emergency exists, this act takes effect when
15 passed and approved according to law.