

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:

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.