

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 490

Introduced by Walz, 15; Bostelman, 23; Crawford, 45; Ebke, 32; Groene,
42; Kolowski, 31; Kolterman, 24; Linehan, 39; Morfeld, 46.

Read first time January 17, 2017

Committee:

- 1 A BILL FOR AN ACT relating to universities and colleges; to amend section
- 2 85-1412, Revised Statutes Cumulative Supplement, 2016; to adopt the
- 3 College Choice 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 Choice 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) As part of Nebraska's commitment to ensuring a successful future
8 for its citizens and helping ensure the state's economic vitality, it is
9 imperative that Nebraska utilize the strengths of its privately
10 controlled, nonprofit colleges and universities;

11 (3) In 2013, privately controlled, nonprofit colleges and
12 universities enrolled twenty-four percent of postsecondary education
13 students in Nebraska and awarded more than forty-one percent of all
14 bachelor's and advanced degrees;

15 (4) In 2013, privately controlled, nonprofit colleges and
16 universities awarded more than fifty-seven percent of the bachelor's and
17 advanced degrees in business and more than one-third of the bachelor's
18 and advanced degrees in teacher education;

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

24 (6) In 2013, privately controlled, nonprofit colleges and
25 universities played an important role in the future of quality health
26 care in Nebraska as they awarded more than one-half of bachelor's and
27 advanced degrees in the health sciences, including nursing;

28 (7) In 2013, students who attended privately controlled, nonprofit
29 colleges and universities received approximately three-tenths of one
30 percent of the total state and local tax expenditures expended for higher
31 education in Nebraska; and

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

5 Sec. 3. For purposes of the College Choice Grant Program Act, the
6 definitions found in sections 4 to 12 of this act shall be used.

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

9 Sec. 5. Commission means the Coordinating Commission for
10 Postsecondary Education.

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

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

19 (1) Located in Nebraska;

20 (2) Primarily engaged in instruction of students;

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

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

27 Sec. 8. Eligible student means an individual who is a resident of
28 Nebraska as provided by section 85-502, enrolled as a full-time or part-
29 time undergraduate student at an eligible postsecondary educational
30 institution, and eligible to receive student financial assistance
31 pursuant to Title IV of the federal Higher Education Act of 1965, 20

1 U.S.C. 1001 et seq., as such act and sections existed on January 1, 2017.

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

6 Sec. 10. Full-time shall be defined by the commission in the rules
7 and regulations adopted and promulgated by the commission pursuant to the
8 College Choice Grant Program Act.

9 Sec. 11. Substantial financial need shall be defined by the
10 commission in accordance with the federal needs analysis methodology.

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

15 Sec. 13. (1) The College Choice Grant Program Act shall provide for
16 awards made directly to eligible students demonstrating substantial
17 financial need and shall be administered by the commission in conjunction
18 with eligible postsecondary educational institutions.

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

25 (a) Determine the number of eligible students enrolled in
26 undergraduate programs at the eligible postsecondary educational
27 institution in the last completed award year with an expected family
28 contribution of five thousand five hundred fifty dollars or below as
29 determined pursuant to the federal Pell Grant Program and convert that
30 number to full-time equivalency by adding the number of full-time
31 eligible students to a number equal to one-third of the number of part-

1 time eligible students;

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

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

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

12 (3) In conformance with the rules and regulations of the commission,
13 each eligible postsecondary educational institution shall distribute the
14 funds to eligible students attending the respective institution.

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

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

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

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

24 (b) In the case of an eligible student enrolled in an eligible
25 postsecondary educational institution following the successful completion
26 of the first year, he or she continues to meet the requirements of the
27 College Choice Grant Program Act and has maintained such minimum
28 standards of performance as are required by the institution in which the
29 eligible student is enrolled;

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

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

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

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

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

21 Sec. 16. The commission shall provide that, in the granting of
22 awards, priority shall be given to full-time eligible students, but the
23 commission may provide that awards may be given to part-time eligible
24 students enrolled in an eligible postsecondary educational institution.

25 Sec. 17. The commission and its agents shall carry out the College
26 Choice Grant Program Act without regard to any eligible student's race,
27 creed, color, national origin, ancestry, age, sex, or handicap.

28 Sec. 18. The commission shall:

29 (1) Supervise the issuance of public information concerning the
30 College Choice Grant Program Act;

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

1 (3) Determine the effective date of awards made pursuant to the act;
2 and

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

5 Sec. 19. The commission shall establish a reasonable and fair
6 appeal procedure for students and eligible postsecondary educational
7 institutions which have been adversely affected by the actions of the
8 commission or eligible postsecondary educational institutions in the
9 distribution of funds or granting of awards pursuant to the College
10 Choice Grant Program Act.

11 Sec. 20. The College Choice Grant Program Act shall not be
12 construed as granting any authority to the commission to control or
13 influence the policies of any eligible postsecondary educational
14 institution because the eligible postsecondary educational institution
15 accepts students who receive awards nor as requiring any such eligible
16 postsecondary educational institution to admit or, once admitted, to
17 continue in the eligible postsecondary educational institution any
18 student receiving an award.

19 Sec. 21. The commission shall require an annual report from each
20 eligible postsecondary educational institution. The report shall
21 demonstrate that students receiving funds under the College Choice Grant
22 Program Act have met the basic criteria established in the act and the
23 rules and regulations of the commission adopted pursuant to the act. The
24 report may include other data as required by the commission.

25 Sec. 22. The commission shall adopt and promulgate rules and
26 regulations necessary to carry out the College Choice Grant Program Act.

27 Sec. 23. Section 85-1412, Revised Statutes Cumulative Supplement,
28 2016, is amended to read:

29 85-1412 The commission shall have the following additional powers
30 and duties:

31 (1) Conduct surveys and studies as may be necessary to undertake the

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

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

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

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

25 (5) Seek a close liaison with the State Board of Education and the
26 State Department of Education in recognition of the need for close
27 coordination of activities between elementary and secondary education and
28 postsecondary education;

29 (6) Administer the Integrated Postsecondary Education Data System or
30 other information system or systems to provide the commission with
31 timely, comprehensive, and meaningful information pertinent to the

1 exercise of its duties. The information system shall be designed to
2 provide comparable data on each public institution. The commission shall
3 also administer the uniform information system prescribed in sections
4 85-1421 to 85-1427 known as the Nebraska Educational Data System. Public
5 institutions shall supply the appropriate data for the information system
6 or systems required by the commission;

7 (7) Administer (a) the Access College Early Scholarship Program Act,
8 (b) the College Choice Grant Program Act, (c) the Community College Aid
9 Act, (d) ~~(e)~~ the Nebraska Community College Student Performance and
10 Occupational Education Grant Fund under the direction of the Nebraska
11 Community College Student Performance and Occupational Education Grant
12 Committee, (e) ~~(d)~~ the Nebraska Opportunity Grant Act, (f) ~~(e)~~ the
13 Postsecondary Institution Act, and (g) ~~(f)~~ the community college gap
14 assistance program and the Community College Gap Assistance Program Fund;

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

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

29 (10) Provide staff support for interstate compacts on postsecondary
30 education; and

31 (11) Request inclusion of the commission in any existing grant

1 review process and information system.

2 Sec. 24. This act becomes operative on July 1, 2017.

3 Sec. 25. Original section 85-1412, Revised Statutes Cumulative
4 Supplement, 2016, is repealed.

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