

LEGISLATIVE BILL 574

Approved by the Governor May 29, 2003

Introduced by Raikes, 25

AN ACT relating to postsecondary education; to amend section 85-1412, Reissue Revised Statutes of Nebraska, sections 9-836.01, 71-17,104, 71-5715, 72-1239.01, 85-1803, 85-1804, 85-1807, 85-1808, and 85-1809, Revised Statutes Supplement, 2002, and section 9-812, Revised Statutes Supplement, 2002, as amended by section 1, Legislative Bill 367, Ninety-eighth Legislature, First Session, 2003; to adopt the Nebraska Scholarship Act and the Community Scholarship Foundation Program Act; to change provisions relating to the distribution of the State Lottery Operation Trust Fund, loans under the Nursing Student Loan Act, and scholarships for teen smoking prevention proposals; to provide duties for the Nebraska Investment Council and the state investment officer; to change provisions relating to the Nebraska educational savings plan trust; to eliminate quality education incentive payments, the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, and the State Scholarship Award Program Act; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 85-980 to 85-992, 85-993.01 to 85-997, 85-999 to 85-9,102.01, 85-9,117 to 85-9,124, 85-9,126 to 85-9,132.01, 85-9,140 to 85-9,155, and 85-9,157 to 85-9,162, Reissue Revised Statutes of Nebraska, and section 79-758, Revised Statutes Supplement, 2002; and to declare an emergency.

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

Section 1. Sections 1 to 20 of this act shall be known and may be cited as the Nebraska Scholarship Act.

Sec. 2. For purposes of the Nebraska Scholarship Act, the definitions found in sections 3 to 10 of this act apply.

Sec. 3. Award means a grant of money by the commission to an eligible student for educational expenses. Awards shall not exceed:

(1) For award years prior to the 2006-07 award year:

(a) For students who received an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, the greater of the total awards received by the student pursuant to such acts for the 2002-03 award year or twenty-five percent of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln; or

(b) For students who did not receive an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, twenty-five percent of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln; and

(2) For the 2006-07 award year and each award year thereafter, twenty-five percent of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln.

Sec. 4. Award year means the period beginning on July 1 through the following June 30.

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

Sec. 6. Eligible postsecondary educational institution means a public or private postsecondary educational institution:

(1) Located in Nebraska;

(2) Primarily engaged in the instruction of students;

(3) Satisfying the provisions of Nebraska law relating to the approval and licensure of schools, colleges, and universities and maintaining accreditation by an accrediting organization recognized by the United States Department of Education;

(4) Offering courses of instruction in regularly scheduled classes to regularly enrolled undergraduate students who reside in Nebraska and have received high school diplomas or their equivalent; and

(5) Which has adopted, and has available for inspection, award refund and repayment policies.

Sec. 7. Eligible student means an undergraduate student who:

(1) Is enrolled in an eligible postsecondary educational institution;

(2) Is eligible to receive a Federal Pell Grant from the United States Department of Education;

(3) Is a resident student who is domiciled in Nebraska as provided by section 85-502; and

(4) Complies with all other provisions of the Nebraska Scholarship Act and its rules and regulations.

Sec. 8. Full-time student and full-time-equivalent student have the definitions found in rules and regulations adopted and promulgated pursuant to the Nebraska Scholarship Act.

Sec. 9. Tuition and mandatory fees means:

(1) For students who received an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution; or

(2) For students who did not receive an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, the lesser of the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution or the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln.

Sec. 10. Undergraduate student means an individual who has not earned a first baccalaureate or professional degree and is enrolled in a postsecondary educational program which leads to, or is creditable toward, a first baccalaureate degree, associate degree, certificate, diploma, or equivalent.

Sec. 11. The Nebraska Scholarship Act shall provide for awards made directly to eligible students based on financial need.

Sec. 12. In order to reduce the costs of administering the Nebraska Scholarship Act, the commission shall identify a target level of funds to be distributed to students pursuant to the act at each eligible postsecondary educational institution. The target level of funds shall represent the maximum amount that may be awarded pursuant to the act to eligible students enrolled in such eligible postsecondary educational institution. The target level of funds for each eligible postsecondary educational institution shall be determined as follows:

(1) For award years prior to the 2006-07 award year for eligible postsecondary educational institutions when the student cost for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution was greater than the student cost for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln:

(a) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year;

(b) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year;

(c) For the 2003-04 award year, multiply the number determined in subdivision (1)(b) of this section by the ratio equal to the number of full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for both the 2002-03 award year and the 2001-02 award year at the eligible postsecondary educational institution divided by the number of full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution;

(d) For the 2004-05 award year, multiply the number determined in subdivision (1)(b) of this section by the ratio equal to the number of full-time-equivalent students who received both an award pursuant to the Nebraska Scholarship Act for the 2003-04 award year and an award pursuant to

the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution divided by the number of full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for both the 2002-03 award year and the 2001-02 award year at the eligible postsecondary educational institution;

(e) For the 2005-06 award year, multiply the number determined in subdivision (1)(b) of this section by the ratio equal to the number of full-time-equivalent students who received both an award pursuant to the Nebraska Scholarship Act for the 2004-05 award year and an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution divided by the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution who received both an award pursuant to the Nebraska Scholarship Act for the 2003-04 award year and an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution;

(f) Multiply the difference of the number determined pursuant to subdivision (1)(a) of this section minus the number determined pursuant to subdivision (1)(c), (d), or (e) of this section by the tuition and mandatory fees determined pursuant to subdivision (2) of section 9 of this act;

(g) Multiply the number determined pursuant to subdivision (1)(c), (d), or (e) of this section by the tuition and mandatory fees determined pursuant to subdivision (1) of section 9 of this act;

(h) Divide the sum of the products derived pursuant to subdivisions (1)(f) and (g) of this section for each eligible postsecondary educational institution by the sum of the products derived pursuant to subdivisions (1)(f) and (g) and (2)(b) of this section for all eligible postsecondary educational institutions; and

(i) Multiply the total of federal and state funds appropriated for purposes of distribution pursuant to the Nebraska Scholarship Act by the ratio derived pursuant to subdivision (1)(h) of this section; and

(2) For award years prior to 2006-07 for eligible postsecondary educational institutions when the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution was less than or equal to the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln and for the 2006-07 award year and each award year thereafter for all eligible postsecondary educational institutions:

(a) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year;

(b) Multiply the number determined in subdivision (2)(a) of this section by the tuition and mandatory fees as limited pursuant to subdivision (2) of section 9 of this act;

(c) Divide the product derived pursuant to subdivision (2)(b) of this section for each eligible postsecondary educational institution by the sum of the products derived pursuant to subdivisions (1)(f) and (g) and (2)(b) of this section for all eligible postsecondary educational institutions; and

(d) Multiply the total of federal and state funds appropriated for purposes of distribution pursuant to the act by the ratio derived pursuant to subdivision (2)(c) of this section.

Sec. 13. Eligible postsecondary educational institutions, acting as agents of the commission, shall:

(1) Receive and process applications for awards under the Nebraska Scholarship Act;

(2) Determine eligibility of students based on criteria set forth in the act; and

(3) At any time prior to June 1 of each award year, make recommendations as often as necessary to the commission for awards to eligible students, including the name of each eligible student, social security number of each eligible student, and recommended award amount for each eligible student.

Sec. 14. (1) Within thirty days after receiving recommendations pursuant to section 13 of this act, the commission shall review the recommended awards for compliance with the Nebraska Scholarship Act and its rules and regulations and notify each eligible postsecondary educational

institution of the approval or disapproval of recommended awards.

(2) The commission shall distribute to each eligible postsecondary educational institution the total award amount approved for eligible students at such institution. The eligible postsecondary educational institution shall act as an agent of the commission to disburse the awards directly to eligible students during the award year.

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

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

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

(b) In the case of an eligible student enrolled in an eligible postsecondary educational institution following the successful completion of the student's first year in attendance, such eligible student continues to meet the requirements of the Nebraska Scholarship Act and has maintained the minimum standards of performance as required by the eligible postsecondary educational institution in which the eligible student is enrolled;

(2) The eligible student receiving such award certifies that the award will be used only for educational expenses; and

(3) The eligible student has complied with the act and its rules and regulations.

Sec. 16. If an award recipient discontinues attendance before the end of the award year, the award recipient shall remit any award balance allowable to the eligible postsecondary educational institution in accordance with such institution's withdrawal policy. The institution shall remit such award balance to the commission in accordance with such institution's refund policy.

Sec. 17. (1) The commission shall:

(a) Supervise the issuance of public information concerning the Nebraska Scholarship Act; and

(b) Establish a reasonable and fair appeal procedure for students adversely affected by the actions of the commission or an eligible postsecondary educational institution in the distribution of funds or granting of awards pursuant to the act.

(2) The commission may adopt and promulgate rules and regulations necessary to carry out the act, including such rules and regulations for maintenance of fiscal controls and fund accounting procedures as may be necessary to assure proper disbursement of funds and to assure that the eligible postsecondary educational institutions, as agents of the commission, have complied with the act. Such rules and regulations shall be developed in cooperation with representatives of eligible postsecondary educational institutions and shall be designed, to the extent consistent with requirements of the act, to minimize the administrative burden on the eligible postsecondary educational institutions and the commission.

Sec. 18. Each eligible postsecondary educational institution shall file an annual report with the commission. The report shall document that students receiving awards under the Nebraska Scholarship Act have met the eligibility standards and requirements established in the act and rules and regulations. The report shall include an accounting of all state-funded or federally funded student financial aid awarded by the eligible postsecondary educational institution in the previous fiscal year. The report may include other data, including the unmet need as defined by the commission for all Federal-Pell-Grant-eligible students at each eligible postsecondary educational institution.

Sec. 19. The Nebraska Scholarship Act does not grant any authority to the commission to (1) control or influence the policies of any eligible postsecondary educational institution because such institution accepts students who receive awards or (2) require any eligible postsecondary educational institution to enroll any student receiving an award or, once admitted, to continue in such institution any student receiving an award.

Sec. 20. The Nebraska Scholarship Fund is created. Money in the fund shall include amounts transferred from the State Lottery Operation Trust Fund pursuant to section 9-812. For fiscal years 2003-04 and 2004-05, two million dollars shall be used to carry out the Nebraska Scholarship Act, and the remainder accruing to the Nebraska Scholarship Fund shall be transferred to the General Fund. For fiscal year 2005-06, two million five hundred thousand dollars shall be used to carry out the Nebraska Scholarship Act, and the remainder accruing to the Nebraska Scholarship Fund shall be transferred to the General Fund. For fiscal year 2006-07 and each fiscal year thereafter,

all amounts accruing to the Nebraska Scholarship Fund shall be used to carry out the Nebraska Scholarship Act. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 21. Section 9-812, Revised Statutes Supplement, 2002, as amended by section 1, Legislative Bill 367, Ninety-eighth Legislature, First Session, 2003, is amended to read:

9-812. (1) All money received from the operation of lottery games conducted pursuant to the State Lottery Act in Nebraska shall be credited to the State Lottery Operation Trust Fund, which fund is hereby created. All payments of expenses of the operation of the lottery games shall be made from the State Lottery Operation Cash Fund. In accordance with legislative appropriations, money for payments for expenses of the division shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Operation Cash Fund, which fund is hereby created. All money necessary for the payment of lottery prizes shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Prize Trust Fund, which fund is hereby created. The amount used for the payment of lottery prizes shall not be less than forty percent of the dollar amount of the lottery tickets which have been sold. Until October 1, 2003, at least twenty-five percent and beginning Beginning October 1, 2003, and until January 1, 2008, a portion of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred from the State Lottery Operation Trust Fund to the Education Innovation Fund, the Nebraska Scholarship Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund, except that the dollar amount transferred shall not be less than the dollar amount transferred to the funds in fiscal year 2002-03. On and after January 1, 2008, at least twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred from the State Lottery Operation Trust Fund to the Education Innovation Fund, the Nebraska Scholarship Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund. Of the money available to be transferred to the Education Innovation Fund, the Nebraska Scholarship Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund, the first five hundred thousand dollars shall be transferred to the Compulsive Gamblers Assistance Fund to be used as provided in sections 83-162.01 to 83-162.04. ~~Thereafter, forty-nine and one-half~~ Twenty-four and three-fourths percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Education Innovation Fund. Twenty-four and three-fourths percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Scholarship Fund. ~~Forty-nine and one-half~~ percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act. One percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers Assistance Fund to be used as provided in sections 83-162.01 to 83-162.04.

(2) The Education Innovation Fund is hereby created. At least seventy-five percent of the lottery proceeds allocated to the Education Innovation Fund shall be available for disbursement. For each fiscal year except fiscal years 2003-04 and 2004-05, the Education Innovation Fund shall be allocated in the following manner: Up to ~~ten~~ twenty percent to fund the mentor teacher program pursuant to the Quality Education Accountability Act; ~~up to sixty percent as quality education incentives pursuant to the act;~~ up to ~~twenty~~ forty percent to the Attracting Excellence to Teaching Program Cash Fund to fund the Attracting Excellence to Teaching Program Act; and up to ~~ten~~ forty percent of the fund shall be allocated by the Governor. For fiscal years 2003-04 and 2004-05, the Education Innovation Fund shall be allocated to the General Fund after operating expenses for the Excellence in Education Council are deducted.

Allocations by the Governor shall be through incentive grants to encourage the development of strategic school improvement plans by school districts for accomplishing high performance learning and to encourage schools to establish innovations in programs or practices that result in restructuring of school organization, school management, and instructional programs which bring about improvement in the quality of education. Such incentive grants allocated by the Governor are intended to provide selected school districts, teachers or groups of teachers, nonprofit educational organizations,

educational service units, or cooperatives funding for the allowable costs of implementing pilot projects and model programs.

From the funds allocated by the Governor, minigrants shall be available to school districts to support the development of strategic school improvement plans which shall include statements of purposes and goals for the districts. The plans shall also include the specific statements of improvement or strategic initiatives designed to improve quality learning for every student.

In addition to the minigrants granted for the development of strategic school improvement plans, school districts with annual budget expenditures of three hundred fifty thousand dollars or less are eligible for minigrants from the funds allocated by the Governor for the purposes allowed in subdivisions (2)(a) through (q) of this section. The amount of this type of minigrant shall not exceed five thousand dollars. The school district shall present a curriculum support plan with its application for the grant. The curriculum support plan must show how the district is working to achieve one or more of the allowed purposes and how the grant will be used to directly advance the plan to achieve one or more of these purposes. The plan must be signed by the school administrator and a school board representative. The application for the grant shall be brief. The Excellence in Education Council shall select the recipients of this type of minigrant and shall administer such minigrants.

From the funds allocated by the Governor, major competitive grants shall be available to support innovative programs which are directly related to the strategic school improvement plans. The development of a strategic school improvement plan by a school district shall be required before a grant is awarded. Annual reports shall be made by program recipients documenting the effectiveness of the program in improving the quality of education as designed in the strategic school improvement plans. Special consideration shall be given to plans which contain public or private matching funds and cooperative agreements, including agreements for in-kind services. Purposes for which such major competitive grants would be offered shall include:

(a) Professional staff development programs to provide funds for teacher and administrator training and continuing education to upgrade teaching and administrative skills;

(b) The development of strategic school improvement plans by school districts;

(c) Educational technology assistance to public schools for the purchase and operation of computers, telecommunications equipment and services, and other forms of technological innovation which may enhance classroom teaching, instructional management, and districtwide administration. Telecommunications equipment, services, and forms of technical innovation shall be approved only after review by the technical panel created in section 86-521;

(d) An educational accountability program to develop an educational indicators system to measure the performance and outcomes of public schools and to ensure efficiency in operations;

(e) Alternative programs for students, including underrepresented groups, at-risk students, and dropouts;

(f) Programs that demonstrate improvement of student performance against valid national and international achievement standards;

(g) Early childhood and parent education which emphasizes child development;

(h) Programs using decisionmaking models that increase involvement of parents, teachers, and students in school management;

(i) Increased involvement of the community in order to achieve increased confidence in and satisfaction with its schools;

(j) Development of magnet or model programs designed to facilitate desegregation;

(k) Programs that address family and social issues impairing the learning productivity of students;

(l) Programs enhancing critical and higher-order thinking capabilities;

(m) Programs which produce the quality of education necessary to guarantee a competitive work force;

(n) Programs designed to increase productivity of staff and students through innovative use of time;

(o) Training programs designed to benefit teachers at all levels of education by increasing their ability to work with educational technology in the classroom;

(p) Approved accelerated or differentiated curriculum programs under sections 79-1106 to 79-1108.03; and

(q) Programs for children from birth to age twenty-one years with disabilities receiving special education under the Special Education Act and children from birth to age twenty-one years needing support services as defined in section 79-1125.01, which programs demonstrate improved outcomes for children from birth to age twenty-one years through emphasis on prevention and collaborative planning.

The Governor shall establish the Excellence in Education Council. The Governor shall appoint eleven members to the council including representatives of educational organizations, postsecondary educational institutions, the business community, and the general public, members of school boards and parent education associations, school administrators, and at least four teachers who are engaged in classroom teaching. The State Department of Education shall provide staff support for the council to administer the Education Innovation Fund, including the Quality Education Accountability Act. The council shall have the following powers and duties:

(i) In consultation with the department, develop and publish criteria for the awarding of incentive grants allocated by the Governor for programs pursuant to this subsection, including minigrants;

(ii) Provide recommendations to the Governor regarding the selection of projects to be funded and the distribution and duration of project funding;

(iii) Establish standards, formats, procedures, and timelines for the successful implementation of approved programs funded by incentive grants allocated by the Governor from the Education Innovation Fund;

(iv) Assist school districts in determining the effectiveness of the innovations in programs and practices and measure the subsequent degree of improvement in the quality of education;

(v) Consider the reasonable distribution of funds across the state and all classes of school districts;

(vi) Carry out its duties pursuant to the Quality Education Accountability Act; and

(vii) Provide annual reports to the Governor concerning programs funded by the fund. Each report shall include the number of applicants and approved applicants, an overview of the various programs, objectives, and anticipated outcomes, and detailed reports of the cost of each program.

To assist the council in carrying out its duties, the State Board of Education shall, in consultation with the council, adopt and promulgate rules and regulations establishing criteria, standards, and procedures regarding the selection and administration of programs funded from the Education Innovation Fund, including the Quality Education Accountability Act.

(3) Recipients of incentive grants allocated by the Governor from the Education Innovation Fund shall be required to provide, upon request, such data relating to the funded programs and initiatives as the Governor deems necessary.

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

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

Sec. 22. Section 9-836.01, Revised Statutes Supplement, 2002, is amended to read:

9-836.01. The division may endorse and sell for profit tangible personal property related to the lottery. Any money received as profit by the division pursuant to this section shall be remitted to the State Treasurer for credit to the State Lottery Operation Trust Fund to be distributed to the Education Innovation Fund, the Nebraska Scholarship Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund pursuant to the requirements of section 9-812.

Sec. 23. Section 71-17,104, Revised Statutes Supplement, 2002, is amended to read:

71-17,104. (1) To qualify for a loan under the Nursing Student Loan Act, a student shall be a resident of Nebraska, intend to practice in Nebraska, be motivated to practice in Nebraska, and have substantial financial need. For purposes of this section, substantial financial need means the difference between the student's financial resources available, including those available from parents, a parent, a guardian, or a spouse, and the student's anticipated educational expenses while attending the approved nursing program, taking into account that:

(a) In determining whether a dependent student has substantial financial need, the following factors shall be considered: (i) Serious family illness; (ii) the number of dependent children of the student's parents; (iii) the number of such dependent children attending institutions of higher education; and (iv) such other circumstances as may affect the ability of the student and student's parents to contribute toward the cost of the student's education; and

(b) In determining whether an independent or self-supporting student has substantial financial need, the following factors shall be considered: (i) Any serious illness in the student's family; (ii) the number of dependent children of the student; (iii) the number of such dependent children attending institutions of higher education; and (iv) such other circumstances as may affect the ability of the student or spouse to contribute toward the cost of the student's education. as defined in section 95-990.

(2) Each recipient of a loan under the act shall agree to engage in the practice of nursing in the State of Nebraska for the equivalent of one year of full-time practice for each year a loan is received.

(3) Each approved nursing program shall forward to the department the names of the qualified students recommended to receive loans under the act, based on the criteria specified in subsections (1) and (2) of this section, and any other information and documentation the department deems necessary.

Sec. 24. Section 71-5715, Revised Statutes Supplement, 2002, is amended to read:

71-5715. (1) The Teen Tobacco Education and Prevention Project is created. The purpose of the project is to provide scholarships for high school students who design creative project proposals to aid in the prevention, reduction, and cessation of teen smoking and to provide award money for the sponsors of such proposals.

(2) The Teen Tobacco Education and Prevention Project Committee is created. The committee shall develop criteria for the submission of project proposals and shall select winning project proposals pursuant to subsection (4) of this section and rules and regulations adopted and promulgated under this section. The committee shall be appointed by the Governor and shall have no more than fifteen members. Committee members shall include (a) high school teachers or advisors, (b) one high school student from each category of school listed in subsection (4) of this section, (c) a physician, (d) persons with advertising or broadcasting expertise, (e) tobacco control advocates, (f) public health representatives, and (g) business persons. Any vacancy on the committee shall be filled in the same manner as the initial appointment. The Department of Health and Human Services shall provide staff support for the committee. Committee members shall be reimbursed for their actual and necessary expenses as provided in sections 81-1174 to 81-1177.

(3) On or before December 31 of each year prior to 2003, high school students who reside or attend school in Nebraska may submit project proposals to the committee. Each project proposal shall be designed and developed, by no more than four high school students, to be implemented statewide or in the school, community, or geographic area where such students reside or attend school. Project proposals may include programs, advertisement campaigns, small group projects, conferences, seminars, billboards, pamphlets, productions, television advertisements, radio advertisements, promotional ideas, or any other innovative concept the purpose of which is to help reduce, prevent, or stop teen smoking. The budget for each project proposal shall not exceed one hundred thousand dollars. The Department of Health and Human Services shall use all reasonable efforts to promote the program and shall provide at least one application to each high school in the state.

(4) By March 1 of each year prior to 2004, the committee shall select four winning project proposals from among those submitted: (a) One from a school with a membership of less than one hundred twenty-five students in grades nine through twelve, (b) one from a school with a membership of less than three hundred twenty but at least one hundred twenty-five students in grades nine through twelve, (c) one from a school with a membership of less than one thousand fifty but at least three hundred twenty students in grades nine through twelve, and (d) one from a school with a membership of one thousand fifty or more students in grades nine through twelve. The designers of the winning project proposals shall each be awarded a five-thousand-dollar scholarship and shall oversee the implementation of such project proposals statewide or in their school, community, or geographic area. The sponsor of each winning project proposal shall also be awarded five thousand dollars. The Department of Health and Human Services shall oversee and administer the sponsorship awards provided in this section.

(5) The Department of Health and Human Services shall adopt and

promulgate rules and regulations as necessary to carry out the duties set forth in subsections (1) through (4) of this section.

(6) The Coordinating Commission for Postsecondary Education shall oversee and administer the scholarships provided in this section. Scholarships may only be used by an eligible student for educational expenses at an eligible postsecondary educational institution as defined under the Nebraska Scholarship Assistance Program Act. The commission shall adopt and promulgate rules and regulations as necessary to carry out the duties set forth in this subsection.

(7) The Department of Health and Human Services shall annually review the Teen Tobacco Education and Prevention Project and submit a report of such review to the Governor and Legislature on or before December 31 of each year prior to 2004.

~~(8) This section shall terminate on January 1, 2003.~~

Sec. 25. Section 72-1239.01, Revised Statutes Supplement, 2002, is amended to read:

72-1239.01. (1)(a) The appointed members of the Nebraska Investment Council shall have the responsibility for the investment management of the assets of the retirement systems administered by the Public Employees Retirement Board as provided in section 84-1503 and the assets of the Nebraska educational savings plan trust created pursuant to sections 85-1801 to 85-1814. The appointed members shall be deemed fiduciaries with respect to the investment of the assets of the retirement systems and of the Nebraska educational savings plan trust and shall be held to the standard of conduct of a fiduciary specified in subsection (3) of this section. The nonvoting, ex officio members of the council shall not be deemed fiduciaries.

(b) As fiduciaries, the appointed members of the council and the state investment officer shall discharge their duties with respect to the assets of the retirement systems and of the Nebraska educational savings plan trust solely in the interests of the members and beneficiaries of the retirement systems or the interests of the participants and beneficiaries of the Nebraska educational savings plan trust, as the case may be, for the exclusive purposes of providing benefits to members, and members' beneficiaries, participants, and participants' beneficiaries and defraying reasonable expenses incurred within the limitations and according to the powers, duties, and purposes prescribed by law.

(2)(a) The appointed members of the Nebraska Investment Council shall have the responsibility for the investment management of the assets of state funds. The appointed members shall be deemed fiduciaries with respect to the investment of the assets of state funds and shall be held to the standard of conduct of a fiduciary specified in subsection (3) of this section. The nonvoting, ex officio members of the council shall not be deemed fiduciaries.

(b) As fiduciaries, the appointed members of the council and the state investment officer shall discharge their duties with respect to the assets of state funds solely in the interests of the citizens of the state within the limitations and according to the powers, duties, and purposes prescribed by law.

(3) The appointed members of the council shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims by diversifying the investments of the assets of the retirement systems, the Nebraska educational savings plan trust, and state funds so as to minimize risk of large losses, unless in light of such circumstances it is clearly prudent not to do so. No assets of the retirement systems or the Nebraska educational savings plan trust shall be invested or reinvested if the sole or primary investment objective is for economic development or social purposes or objectives.

Sec. 26. Section 85-1412, Reissue Revised Statutes of Nebraska, is amended to read:

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

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

(2) Recommend to the Legislature and the Governor legislation it deems necessary or appropriate to improve postsecondary education in Nebraska

and any other legislation it deems appropriate to change the role and mission provisions in sections 85-121.05 and 85-917 to 85-966.01;

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

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

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

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

(7) Administer the State Scholarship Award Program Act, the Scholarship Assistance Program Act, and the Postsecondary Education Award Program Community Scholarship Foundation Program Act and the Nebraska Scholarship Act;

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

(9) Make recommendations to the State Board of Education with regard to granting permits for the operation of correspondence schools, privately owned business or trade schools, or other educational institutions under the Private Postsecondary Career School Act whenever any correspondence school, business school, or vocational school offers any course which is intended to lead to the granting of an associate degree, diploma, or certificate or any course which qualifies for college credit;

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

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

(12) ~~(a) On or before October 1, 1994, and on or before October 1 every two years thereafter through October 1, 1999, submit to the Legislature and the Governor a report of its objectives and activities and the implementation of any recommendations of the commission for the preceding two calendar years; and~~

~~(b) On or before December 1, 2000, and on or before December 1 every two years thereafter, submit to the Legislature and the Governor a report of its objectives and activities and any new private colleges in Nebraska and the implementation of any recommendations of the commission for the preceding two calendar years;~~

(13) Provide staff support for interstate compacts on postsecondary education; and

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

Sec. 27. Section 85-1803, Revised Statutes Supplement, 2002, is amended to read:

85-1803. ~~It is the intent of the Legislature that the~~ The Nebraska educational savings plan trust shall be operated with a minimum of no General Fund appropriations. Money and that earnings from the trust transferred from the program fund or endowment fund to the administrative fund in an amount authorized by an appropriation from the Legislature shall be utilized to pay for the costs of administering, operating, and maintaining the trust, to the

extent permitted by section 529 of the Internal Revenue Code. The administrative fund shall not be credited with any money other than money transferred from the program fund or endowment fund in an amount authorized by an appropriation by the Legislature or any interest income earned on the balances held in the administrative fund. ~~except to the extent that appropriations are made by the Legislature to the administrative fund.~~

It is further the intent of the Legislature to appropriate two hundred thousand dollars for FY2000-01 to the administrative fund for startup costs for the trust and an additional one hundred thousand dollars for operating expenses to the State Treasurer for FY2000-01. If the State Treasurer determines that the level of General Fund appropriations is insufficient to administer, operate, and maintain a qualified program, the State Treasurer shall hold the trust in abeyance and shall request additional funds during the legislative session in 2001 to establish, operate, and administer the program. If the trust has not begun operation by January 1, 2002, sections 85-1801 to 85-1814 shall terminate on January 2, 2002.

Sec. 28. Section 85-1804, Revised Statutes Supplement, 2002, is amended to read:

85-1804. ~~Unless held in abeyance as provided in section 85-1803,~~ the The Nebraska educational savings plan trust is created. The State Treasurer is the trustee of the trust, ~~and as such is responsible for the administration, operation, and maintenance of the program,~~ and has all powers necessary to carry out and effectuate the purposes, objectives, and provisions of sections 85-1801 to 85-1814 pertaining to the administration, operation, and maintenance of the trust and program, except that the state investment officer shall ~~invest~~ have fiduciary responsibility to make all decisions regarding the investment of the money in the administrative fund, endowment fund, and program fund, including the selection of all investment options and the approval of all fees and other costs charged to trust assets except costs for administration, operation, and maintenance of the trust as appropriated by the Legislature, pursuant to ~~policies~~ the directions, guidelines, and policies established by the Nebraska Investment Council. The State Treasurer ~~shall~~ may adopt and promulgate rules and regulations to ~~implement sections 85-1801 to 85-1814 and to~~ provide for the efficient administration, operation, and maintenance of the trust and program. The State Treasurer shall not adopt and promulgate rules and regulations that in any way interfere with the fiduciary responsibility of the state investment officer to make all decisions regarding the investment of money in the administrative fund, endowment fund, and program fund. The State Treasurer or his or her designee shall ~~also~~ have the power to:

(1) Enter into agreements with any institution of higher education, the state, any federal or other state agency, or any other entity to implement sections 85-1801 to 85-1814, except agreements which pertain to the investment of money in the administrative fund, endowment fund, or program fund;

(2) Carry out the duties and obligations of the trust;

(3) Accept any grants, or gifts, legislative appropriations, and other money from the state, any unit of federal, state, or local government, or any other person which shall be deposited into the administrative fund or ~~program~~ endowment fund;

(4) Carry out studies and projections to advise participants regarding present and estimated future higher education costs and levels of financial participation in the trust required in order to enable participants to achieve their educational funding objectives;

(5) Participate in any federal, state, or local governmental program for the benefit of the trust;

(6) Procure insurance against any loss in connection with the property, assets, or activities of the trust as provided in section 81-8,239.01;

(7) Solicit and accept for the benefit of the endowment fund gifts, grants, and donations from private parties;

(8) Enter into participation agreements with participants;

(9) Make payments to institutions of higher education pursuant to participation agreements on behalf of beneficiaries;

(10) Make refunds to participants upon the termination of participation agreements pursuant to the provisions, limitations, and restrictions set forth in sections 85-1801 to 85-1814;

(11) Contract for goods and services and engage personnel as necessary, including consultants, actuaries, managers, legal counsels, and auditors for the purpose of rendering professional, managerial, and technical assistance and advice regarding trust administration and operation, except contracts which pertain to the investment of the administrative, endowment, or program funds; and

(12) Establish, impose, and collect administrative fees and charges in connection with transactions of the trust, and provide for reasonable service charges, including penalties for cancellations, refund penalties, and late payments with respect to participation agreements.

The Nebraska Investment Council may adopt and promulgate rules and regulations to provide for the prudent investment of the assets of the trust. The council or its designee also has the authority to select and enter into agreements with individuals and entities to provide investment advice and management of the assets held by the trust, establish investment guidelines, objectives, and performance standards with respect to the assets held by the trust, and approve any fees, commissions, and expenses, which directly or indirectly affect the return on assets.

Sec. 29. Section 85-1807, Revised Statutes Supplement, 2002, is amended to read:

85-1807. (1) The State Treasurer shall ~~segregate~~ deposit money received by the Nebraska educational savings plan trust into three funds: The program fund, the endowment fund, and the administrative fund. The State Treasurer shall deposit money received by the trust into the appropriate fund. The State Treasurer and Accounting Administrator of the Department of Administrative Services shall determine the state fund types necessary to comply with section 529 of the Internal Revenue Code and state policy. The money in the funds shall be invested by the state investment officer pursuant to policies established by the Nebraska Investment Council. All money paid by participants in connection with participation agreements and all investment income earned on such money shall be deposited as received into separate accounts within the program fund. All money received by the trust from the proceeds of gifts and other endowments for the purposes of the trust and all investment income earned on such money shall be deposited as received into the endowment fund. ~~The State Treasurer may receive gifts of funds which are for the sole purpose of defraying the costs of administering the trust, which gifts shall be deposited into the administrative fund.~~ The program fund, administrative fund, and endowment fund shall be separately administered. Any gifts, grants, or donations to the trust for deposit to the endowment fund shall be a grant, gift, or donation to the state for the accomplishment of a valid public eleemosynary, charitable, and educational purpose and shall not be included in the income of the donor for state income tax purposes. Contributions to the trust made by participants or received in the form of gifts, grants, or donations may only be made in the form of cash. All funds generated in connection with participation agreements shall be deposited into the appropriate accounts within the program fund. A participant or beneficiary shall not provide investment direction regarding program contributions or earnings held by the trust.

(2) Each beneficiary under a participation agreement shall receive a pro rata interest in the endowment fund each year after any transfers to the administrative fund have been made. The amount received from the endowment fund shall be in the ratio that the principal amount paid by the participant under the participation agreement and investment income earned to date under the agreement bears to the principal amount of all money, funds, and securities then held in the program fund, but not to exceed the amount which, in combination with the current payment due from the program fund, equals the beneficiary's higher education costs for the current period of enrollment. Money accrued by participants in the program fund may be used for payments to any institution of higher education. No rights to any money derived from the endowment fund shall exist if money payable under the participation agreement is paid to an institution of higher education which is not a Nebraska institution of higher education.

Sec. 30. Section 85-1808, Revised Statutes Supplement, 2002, is amended to read:

85-1808. (1) A participant may cancel a participation agreement at will. The trustee shall determine and collect a refund penalty by deducting the refund penalty from the returned funds. Collected refund penalties shall be deposited in the ~~administrative~~ endowment fund. Endowment fund money credited to the program account shall be forfeited and returned to the endowment fund.

(2) Upon the occurrence of any of the following circumstances, no refund penalty shall be levied by the trust in the event of a refund or termination of a participation agreement:

- (a) Death of the beneficiary;
- (b) Permanent disability or mental incapacity of the beneficiary;

(c) The beneficiary is awarded a scholarship as defined in section 529 of the Internal Revenue Code, but only to the extent the refund of earnings does not exceed the scholarship amount; or

(d) A qualified rollover is made as permitted by section 529 of the Internal Revenue Code, except that if a qualified rollover is made into a plan sponsored by another state or entity, the participation agreement shall be deemed to have been canceled for purposes of subdivision (9)(d) of section 77-2716 and federal adjusted gross income shall be increased to the extent previously deducted as a contribution to the trust.

(3) In the event of cancellation of a participation agreement for any of the causes listed in ~~this~~ subsection (2) of this section, the participant shall be entitled to receive the principal amount of all contributions made by the participant under the participation agreement plus the actual program fund investment income earned on the contributions, less any losses incurred on the investment, but not endowment fund money. Notwithstanding any other provisions of this section, under no circumstances shall a participant or beneficiary receive a refund or distribution that is more than the fair market value of the specific account on the applicable liquidation date.

Sec. 31. Section 85-1809, Revised Statutes Supplement, 2002, is amended to read:

85-1809. (1) A participant retains ownership of all contributions made under a participation agreement up to the date of utilization for payment of higher education costs for the beneficiary. Notwithstanding any other provision of law, any amount credited to any account is not susceptible to any levy, execution, judgment, or other operation of law, garnishment, or other judicial enforcement, and the amount is not an asset or property of either the participant or the beneficiary for the purposes of any state insolvency or inheritance tax laws. All income derived from the investment of the contributions made by the participant shall be considered to be held in trust for the benefit of the beneficiary.

(2) If the program created by sections 85-1801 to 85-1814 is terminated prior to payment of higher education costs for the beneficiary, the participant is entitled to receive the fair market value of the account established in the program, less any assessed refund penalty.

(3) If the beneficiary graduates from an institution of higher education and a balance remains in the participant's account, any remaining funds may be transferred as allowed by rule or regulation, subject to the provisions of section 529 of the Internal Revenue Code, as well as any other applicable state or federal laws or regulations.

(4) The institution of higher education shall obtain ownership of the payments made for the higher education costs paid to the institution at the time each payment is made to the institution.

(5) Any amounts which may be paid to any person or persons pursuant to the Nebraska educational savings plan trust but which are not listed in this section are owned by the trust.

(6) A participant may transfer ownership rights to another eligible participant, including a gift of the ownership rights to a minor beneficiary. The transfer shall be made and the property distributed in accordance with the rules and regulations or with the terms of the participation agreement.

(7) A participant shall not be entitled to utilize any interest in the Nebraska educational savings plan trust as security for a loan.

(8) The Nebraska educational savings plan trust may accept transfers of cash investments from a custodian under the Nebraska Uniform Transfers to Minors Act or any other similar laws under the terms and conditions established by the trustee.

Sec. 32. Sections 32 to 41 of this act shall be known and may be cited as the Community Scholarship Foundation Program Act.

Sec. 33. For purposes of the Community Scholarship Foundation Program Act:

(1) Commission means the Coordinating Commission for Postsecondary Education;

(2) Community scholarship foundation means a nonprofit community-based organization holding a certificate of exemption under section 501(c)(3) of the Internal Revenue Code, which organization has been formed in part or in whole for the purpose of providing postsecondary education scholarships for residents living in the community in which the organization is formed;

(3) Low-income student means a student who qualifies for a grant under the Federal Pell Grant program;

(4) Matching award means a grant of two thousand dollars to a community scholarship foundation that raises at least two thousand dollars for awarding scholarships to low-income students through the postsecondary education scholarship program of the community scholarship foundation;

(5) Postsecondary education scholarship program means a program of a

community scholarship foundation;

(6) Postsecondary educational institution means a two-year or four-year college or university in Nebraska which is a member institution of an accrediting association; and

(7) Resident means a person meeting the residency requirements of section 85-502.

Sec. 34. The community scholarship foundation program is established. The purpose of the program is to provide matching awards as an incentive to Nebraska community scholarship foundations to raise money and award scholarships to residents who wish to pursue postsecondary education. The program shall encourage community scholarship foundations to generate local dollars to complement efforts funded by the state.

Sec. 35. To be eligible to apply for a matching award, a community scholarship foundation shall:

(1) Establish a postsecondary education scholarship program and, after the operative date of this section, raise at least two thousand dollars for awarding scholarships to low-income students through such program;

(2) Obtain and maintain a certificate of exemption under section 501(c) (3) of the Internal Revenue Code;

(3) Award postsecondary education scholarships without regard to age, sex, marital status, race, creed, color, religion, national origin, or the presence of any mental, sensory, or physical handicap; and

(4) Complete an application for the matching award on a form developed and provided by the commission.

Sec. 36. Community scholarship foundations which meet the eligibility criteria in section 35 of this act will be selected for matching awards in the following order of priority:

(1) Community scholarship foundations which, after the operative date of this section, begin a postsecondary education scholarship program and raise two thousand dollars to be used for postsecondary education scholarships to low-income students;

(2) Community scholarship foundations which had a postsecondary education scholarship program prior to the operative date of this section but reorganize after such date to meet the eligibility criteria under such section and raise two thousand dollars for postsecondary education scholarships for low-income students; and

(3) Community scholarship foundations which had a postsecondary education scholarship program prior to the operative date of this section which would have met the eligibility criteria under such section and which raise an additional two thousand dollars for postsecondary education scholarships for low-income students after such date.

Sec. 37. Community scholarship foundations which (1) solicit broad-based community support in their fundraising activities and are representative of the community in their structure, (2) conduct fundraising activities with volunteers and not with paid employees or paid independent contractors, and (3) have as their primary focus the award of scholarships to residents attending Nebraska postsecondary educational institutions shall be given preference by the commission when the number of eligible applicants applying exceeds the funds available to make matching awards to all eligible applicants.

Sec. 38. The commission shall disburse matching awards to the applicants selected by the commission pursuant to the criteria and priorities established in the Community Scholarship Foundation Program Act.

Sec. 39. A community scholarship foundation receiving a matching award pursuant to the Community Scholarship Foundation Program Act shall submit, on a form provided by the commission, a report on scholarships awarded using the foundation's resources and the matching award. Reporting information shall include, but need not be limited to, names and addresses of scholarship recipients, scholarship amounts, number of scholarships awarded to low-income students, number of scholarships awarded to students who are not low-income students, and the postsecondary educational institutions the scholarship recipients plan to attend.

Sec. 40. A community scholarship foundation may request in writing a review of any adverse decision by requesting such review within twenty days of the adverse decision, addressed to the executive director of the commission. The review shall be pursuant to the Administrative Procedure Act.

Sec. 41. The commission may adopt and promulgate rules and regulations to carry out the Community Scholarship Foundation Program Act.

Sec. 42. Sections 21 and 43 of this act become operative on July 1, 2003. The other sections of this act become operative on their effective date.

Sec. 43. Original section 9-812, Revised Statutes Supplement, 2002,

as amended by section 1, Legislative Bill 367, Ninety-eighth Legislature, First Session, 2003, is repealed.

Sec. 44. Original section 85-1412, Reissue Revised Statutes of Nebraska, and sections 9-836.01, 71-17,104, 71-5715, 72-1239.01, 85-1803, 85-1804, 85-1807, 85-1808, and 85-1809, Revised Statutes Supplement, 2002, are repealed.

Sec. 45. The following sections are outright repealed: Sections 85-980 to 85-992, 85-993.01 to 85-997, 85-999 to 85-9,102.01, 85-9,117 to 85-9,124, 85-9,126 to 85-9,132.01, 85-9,140 to 85-9,155, and 85-9,157 to 85-9,162, Reissue Revised Statutes of Nebraska, and section 79-758, Revised Statutes Supplement, 2002.

Sec. 46. Since an emergency exists, this act takes effect when passed and approved according to law.