

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 465

Introduced by Lautenbaugh, 18; Harr, 8; Karpisek, 32.

Read first time January 22, 2013

Committee: Education

A BILL

1 FOR AN ACT relating to universities and colleges; to amend section
2 85-1412, Revised Statutes Cumulative Supplement, 2012; to
3 adopt the College Choice Grant Program Act; to provide
4 duties for the Coordinating Commission for Postsecondary
5 Education; to provide an operative date; to repeal the
6 original section; and to declare an 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
2 and may be 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
5 postsecondary educational opportunities to its citizens in an
6 efficient, cost-effective, and rigorous manner;

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

12 (3) In 2010-11, privately controlled, nonprofit colleges
13 and universities enrolled twenty-four percent of postsecondary
14 education students in Nebraska and awarded more than forty-one
15 percent of all bachelor's and advanced degrees;

16 (4) In 2010-11, privately controlled, nonprofit colleges
17 and universities enrolled a higher percentage of minority students
18 than public colleges and universities and awarded twice as many
19 degrees to African-American students as the University of Nebraska
20 and state colleges systems combined;

21 (5) In 2010-11, privately controlled, nonprofit colleges
22 and universities play an important role in the future of quality
23 health care in Nebraska as they awarded more than one-half of
24 bachelor's and advanced degrees in the health sciences, including
25 nursing;

1 (6) In 2011-12, students who attended privately
2 controlled, nonprofit colleges and universities received
3 approximately three-tenths of one percent of the total state and
4 local tax expenditures expended for higher education in Nebraska; and

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

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

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

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

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

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

24 (1) Located in Nebraska;

25 (2) Primarily engaged in instruction of students;

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

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

7 Sec. 8. Eligible student means an individual who is a
8 resident of Nebraska as provided by section 85-502, enrolled as a
9 full-time or part-time undergraduate student at an eligible
10 postsecondary educational institution, and eligible to receive
11 student financial assistance pursuant to Title IV of the federal
12 Higher Education Act of 1965, 20 U.S.C. 1001 et seq., as such act and
13 sections existed on January 1, 2013.

14 Sec. 9. Enrollment means the establishment and
15 maintenance of an individual's status as a student in an eligible
16 postsecondary educational institution regardless of the term used at
17 the institution to describe such a status.

18 Sec. 10. Full-time student shall be defined by the
19 commission in the rules and regulations adopted and promulgated by
20 the commission pursuant to the College Choice Grant Program Act.

21 Sec. 11. Substantial financial need shall be defined by
22 the commission in accordance with the federal needs analysis
23 methodology.

24 Sec. 12. Undergraduate student means an individual who
25 has not earned a first baccalaureate or professional degree and is

1 enrolled in a postsecondary educational program which leads to or is
2 creditable toward a first baccalaureate degree, certificate, diploma,
3 or equivalent.

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

9 (2) In order to reduce the costs of administering the
10 act, the commission shall allocate the funds to be distributed
11 pursuant to the act to the eligible postsecondary educational
12 institutions which shall act as the agents of the commission in the
13 distribution of funds to eligible students. To determine the
14 allocation amount for each institution the commission shall:

15 (a) Determine the number of students enrolled in
16 undergraduate programs at the eligible postsecondary educational
17 institution in the last completed award year with an expected family
18 contribution of five thousand five hundred fifty dollars or below as
19 determined pursuant to the federal Pell Grant Program;

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

24 (c) Divide the product derived pursuant to subdivision
25 (b) of this subsection for each eligible postsecondary educational

1 institution by the sum of the products derived pursuant to
2 subdivision (b) of this subsection for all eligible postsecondary
3 educational institutions; and

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

7 (3) In conformance with the rules and regulations of the
8 commission, each eligible postsecondary educational institution shall
9 distribute the funds to eligible students attending the respective
10 institution.

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

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

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

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

22 (b) In the case of an eligible student enrolled in an
23 eligible postsecondary educational institution following the
24 successful completion of the first year, he or she continues to meet
25 the requirements of the College Choice Grant Program Act and has

1 maintained such minimum standards of performance as are required by
2 the institution in which the eligible student is enrolled;

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

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

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

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

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

1 Sec. 16. The commission shall provide that, in the
2 granting of awards, priority shall be given to full-time eligible
3 students, but the commission may provide that awards may be given to
4 part-time eligible students enrolled in an eligible postsecondary
5 educational institution.

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

10 Sec. 18. The commission shall:

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

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

15 (3) Determine the effective date of awards made pursuant
16 to the act; and

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

19 Sec. 19. The commission shall establish a reasonable and
20 fair appeal procedure for students and eligible postsecondary
21 educational institutions which have been adversely affected by the
22 actions of the commission or eligible postsecondary educational
23 institutions in the distribution of funds or granting of awards
24 pursuant to the College Choice Grant Program Act.

25 Sec. 20. The College Choice Grant Program Act shall not

1 be construed as granting any authority to the commission to control
2 or influence the policies of any eligible postsecondary educational
3 institution because the eligible postsecondary educational
4 institution accepts students who receive awards nor as requiring any
5 such eligible postsecondary educational institution to admit or, once
6 admitted, to continue in the eligible postsecondary educational
7 institution any student receiving an award.

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

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

18 Sec. 23. Section 85-1412, Revised Statutes Cumulative
19 Supplement, 2012, is amended to read:

20 85-1412 The commission shall have the following
21 additional powers and duties:

22 (1) Conduct surveys and studies as may be necessary to
23 undertake the coordination function of the commission pursuant to
24 section 85-1403 and request information from governing boards and
25 appropriate administrators of public institutions and other

1 governmental agencies for research projects. All public institutions
2 and governmental agencies receiving state funds shall comply with
3 reasonable requests for information under this subdivision. Public
4 institutions may comply with such requests pursuant to section
5 85-1417;

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

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

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

24 (5) Seek a close liaison with the State Board of
25 Education and the State Department of Education in recognition of the

1 need for close coordination of activities between elementary and
2 secondary education and postsecondary education;

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

13 (7) Administer the Access College Early Scholarship
14 Program Act, the College Choice Grant Program Act, the Community
15 College Aid Act, the Nebraska Opportunity Grant Act, and the
16 Postsecondary Institution Act;

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

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

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

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

11 Sec. 24. This act becomes operative on July 1, 2013.

12 Sec. 25. Original section 85-1412, Revised Statutes
13 Cumulative Supplement, 2012, is repealed.

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