

E AND R AMENDMENTS TO LB 342

Introduced by Enrollment and Review Committee: McGill, 26,
Chairperson

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 Section 1. Sections 1 to 29 of this act shall be
4 known and may be cited as the Community College Foundation and
5 Equalization Aid Act.

6 Sec. 2. The Community College Foundation and Equalization
7 Aid Fund is created. The fund shall be used to provide state
8 aid to community college areas pursuant to the Community College
9 Foundation and Equalization Aid Act. Any money in the Community
10 College Foundation and Equalization Aid Fund available for
11 investment shall be invested by the state investment officer
12 pursuant to the Nebraska Capital Expansion Act and the Nebraska
13 State Funds Investment Act.

14 Sec. 3. For purposes of the Community College Foundation
15 and Equalization Aid Act, the definitions found in sections 4 to 20
16 of this act apply.

17 Sec. 4. Average revenue remainder allowance means the
18 amount calculated pursuant to subdivision (2)(b) of section 23 of
19 this act.

20 Sec. 5. Base growth factor means the base limitation
21 described in section 77-3446 minus one-half percent.

22 Sec. 6. Base revenue need means the amount calculated
23 pursuant to section 23 of this act.

1 Sec. 7. Community college area has the definition found
2 in section 85-1503.

3 Sec. 8. Equalization aid means the amount calculated
4 pursuant to section 25 of this act.

5 Sec. 9. Formula base revenue means the base growth factor
6 plus one, times the total prior year revenue for all community
7 college areas.

8 Sec. 10. Full-time equivalent student has the definition
9 found in section 85-1503.

10 Sec. 11. Local effort rate means the rate applied for the
11 determination of total formula resources pursuant to section 24 of
12 this act.

13 Sec. 12. Prior year revenue means the total of property
14 taxes, state aid, and tuition and fees collected in the fiscal
15 year immediately preceding the fiscal year for which aid is being
16 calculated.

17 Sec. 13. Reimbursable educational unit has the definition
18 found in section 85-1503.

19 Sec. 14. Reimbursable educational unit aid equals
20 reimbursable educational unit need.

21 Sec. 15. Reimbursable educational unit need equals the
22 amount calculated in subdivision (2)(d) of section 23 of this act.

23 Sec. 16. Revenue remainder allowance means the amount
24 calculated pursuant to subdivision (2)(e) of section 23 of this
25 act.

26 Sec. 17. State foundation amount means the amount
27 calculated pursuant to subdivision (2)(f) of section 23 of this

1 act.

2 Sec. 18. State foundation percentage equals thirty
3 percent.

4 Sec. 19. System foundation aid means system foundation
5 need.

6 Sec. 20. System foundation need means the amount
7 calculated pursuant to subdivision (2)(g) of section 23 of this
8 act.

9 Sec. 21. The Coordinating Commission for Postsecondary
10 Education shall annually collect data from each community college
11 area and maintain such data as necessary to carry out the Community
12 College Foundation and Equalization Aid Act. Each community college
13 area shall annually report data necessary to the commission to
14 carry out the act.

15 Sec. 22. Section 85-1536, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 ~~85-1536~~ (1) The Legislature, in an effort to promote
18 quality postsecondary education and to avoid excessive and
19 disproportionate taxation upon the taxable property of each
20 community college area, may appropriate each biennium from such
21 funds as may be available an amount for aid and assistance to the
22 community colleges. The Legislature recognizes that education, as
23 an investment in human resources, is fundamental to the quality of
24 life and the economic prosperity of Nebraskans and that aid to the
25 community colleges furthers these goals. It is the intent of the
26 Legislature that such appropriations, ~~in particular equalization~~
27 ~~aid provided in this section and section 85-1536.01,~~ reflect the

1 commitment of the Legislature to join with local governing bodies
2 in a strong and continuing partnership to further advance the
3 quality, responsiveness, access, and equity of Nebraska's community
4 colleges and to foster high standards of performance and service
5 so that every citizen, community, and business will have the
6 opportunity to receive quality educational programs and services
7 regardless of the size, wealth, or geographic location of the
8 community college area or tribally controlled community college as
9 defined in section 85-1503 by which that citizen, community, or
10 business is served. Such funds so appropriated by the Legislature
11 shall be allocated, adjusted, and distributed to the community
12 college boards of governors as provided in the Community College
13 Foundation and Equalization Aid Act. boards by the Department of
14 Administrative Services as follows:

15 (a) ~~Fifty-two~~ percent of such funds appropriated by
16 the Legislature for each fiscal year shall be allocated to
17 the community college areas in the same proportion as the
18 first one thousand seven hundred seventy-five audited reimbursable
19 educational units or portion thereof of the three-year average
20 for each community college area, calculated by taking the average
21 of the audited reimbursable educational units for the three most
22 recently completed fiscal years, is to the first one thousand
23 seven hundred seventy-five audited reimbursable educational units
24 or portion thereof of the three-year average of all community
25 college areas combined for such fiscal year;

26 (b) ~~Thirty-eight~~ percent of such funds for each fiscal
27 year shall be distributed to the community college areas in

1 the same proportion as the three-year average of all audited
2 reimbursable educational units in excess of one thousand nine
3 hundred seventy-five for each community college area, calculated
4 by taking the average of the audited reimbursable educational
5 units for the three most recently completed fiscal years, is
6 to the audited reimbursable educational units in excess of one
7 thousand nine hundred seventy-five for all community college areas,
8 calculated by taking such average, combined for such fiscal year,
9 and

10 (c) ~~The balance of such funds for each fiscal year shall~~
11 ~~be distributed pursuant to section 85-1536.01. Funding for tribally~~
12 ~~controlled community colleges shall be calculated on the total~~
13 ~~amount of funds available pursuant to this section and section~~
14 ~~85-1537.~~

15 (2) The Department of Revenue shall certify aid amounts
16 pursuant to the act and report such amounts to the Department of
17 Administrative Services. The Department of Administrative Services
18 shall distribute the total of such appropriated and allocated funds
19 from subdivisions (1)(a) and (b) of this section to the boards
20 of governors in ten as nearly as possible equal monthly payments
21 between the fifth and twentieth day of each month beginning in
22 September of each year.

23 (3) The Department of Administrative Services shall
24 reduce the amount of the distribution to a board of governors
25 by the amount of funds used by the community college area to
26 provide a program or capital construction project as such term
27 is defined in section 85-1402 which has not been approved or has

1 been disapproved by the Coordinating Commission for Postsecondary
2 Education pursuant to the Coordinating Commission for Postsecondary
3 Education Act.

4 Sec. 23. (1) The Department of Revenue shall annually
5 calculate the base revenue need for each community college area as
6 follows:

7 (a) For fiscal years 2007-08 and 2008-09, base revenue
8 need for each community college area shall equal one plus the base
9 growth factor plus the percentage growth in full-time equivalent
10 enrollments attributable to each community college area times
11 the sum of (i) system foundation need plus (ii) reimbursable
12 educational unit need plus (iii) the average need adjustment plus
13 (iv) the revenue remainder allowance for each community college
14 area; and

15 (b) For fiscal year 2009-10 and each fiscal year
16 thereafter, base revenue need for each community college area
17 shall equal the sum of (i) system foundation need plus (ii)
18 reimbursable educational unit need plus (iii) the average revenue
19 remainder allowance.

20 (2) For purposes of the calculation required pursuant to
21 this section:

22 (a) Average need adjustment shall be calculated for
23 fiscal year 2007-08 aid distribution as follows: Average need
24 adjustment shall equal the sum of average adjusted revenue
25 per full-time equivalent student minus the adjusted revenue
26 per full-time equivalent student times the number of full-time
27 equivalent students attributable to each community college area,

1 except that the amount shall not be less than negative seven
2 hundred fifty thousand or greater than seven hundred fifty
3 thousand. For purposes of the average need adjustment, (i) adjusted
4 revenue per full-time equivalent student equals the sum of the
5 prior year revenue for each community college area minus the system
6 foundation need divided by the number of full-time equivalent
7 students for each community college area and (ii) average adjusted
8 revenue per full-time equivalent student equals the sum of the
9 prior year revenue for all community college areas minus the system
10 foundation need for all areas divided by the number of full-time
11 equivalent students for each area;

12 (b) Average revenue remainder allowance shall equal the
13 average revenue remainder per full-time equivalent student times
14 the number of full-time equivalent students for each community
15 college area;

16 (c) Average revenue remainder per full-time equivalent
17 student equals the revenue remainder allowance for all community
18 college areas divided by the total number of full-time equivalent
19 students in all community college areas;

20 (d) Reimbursable educational unit need for each community
21 college area equals the product of the state foundation amount
22 times forty percent divided by the total reimbursable educational
23 units of all community college areas times the number of
24 reimbursable educational units attributable to each community
25 college area;

26 (e) Revenue remainder allowance equals the formula base
27 revenue attributable to each community college area minus the sum

1 of system foundation need plus reimbursable educational unit need;

2 (f) State foundation amount equals formula base revenue
3 times the state foundation percentage; and

4 (g) System foundation need for each community college
5 area equals the product of the state foundation amount times sixty
6 percent divided by the number of community college areas.

7 Sec. 24. (1) The Department of Revenue shall calculate
8 local effort rate by dividing the sum of (a) the total of base
9 revenue need for all community college areas minus (b) the amount
10 appropriated by the Legislature pursuant to the Community College
11 Foundation and Equalization Aid Act minus (c) the total formula
12 tuition and fees for all community college areas by the product
13 of the total valuation of all community college areas times one
14 hundred.

15 (2) The department shall calculate the total formula
16 resources available to each community college area by adding (a)
17 the yield from local effort rate plus (b) local formula tuition
18 and fees plus (c) system foundation aid plus (d) reimbursable
19 educational unit aid.

20 (3) For purposes of the calculation required pursuant to
21 this section:

22 (a) The yield from local effort rate for each community
23 college area equals the local effort rate times the valuation
24 divided by one hundred;

25 (b) Local formula tuition and fees equals the average
26 tuition and fees per full-time equivalent student times the number
27 of full-time equivalent students attributable to each community

1 college area;

2 (c) Reimbursable educational unit aid equals reimbursable
3 educational unit need calculated pursuant to section 23 of this
4 act; and

5 (d) System foundation aid equals system foundation need
6 calculated pursuant to section 23 of this act.

7 Sec. 25. Equalization aid for each community college area
8 shall equal base revenue need attributable to the community college
9 area minus formula resources attributable to the community college
10 area, except that equalization aid shall not be less than zero.

11 Sec. 26. Total aid for each community college area shall
12 equal the sum of such community college area's equalization aid,
13 foundation aid, and reimbursable educational unit aid.

14 Sec. 27. The maximum levy for each community college
15 area shall be certified by the Department of Revenue annually and
16 shall equal one hundred fifteen percent of the local effort rate
17 calculated pursuant to section 24 of this act plus amounts allowed
18 pursuant to subsection (2) of section 85-1517.

19 Sec. 28. For fiscal year 2008-09 and for each fiscal
20 year thereafter, a minimum levy aid reduction shall apply to any
21 community college area that does not levy at least eighty-five
22 percent of the local effort rate calculated pursuant to section 24
23 of this act for the fiscal year immediately preceding the fiscal
24 year for which aid is being calculated.

25 The minimum levy aid reduction shall equal the difference
26 between the amount of revenue collected by the community college
27 area as a result of its levy and the amount of revenue that would

1 have been collected using eighty percent of the local effort rate
2 in the prior fiscal year. The Department of Revenue shall reduce
3 the amount of aid calculated pursuant to section 26 of this act by
4 an amount equal to the minimum levy aid reduction.

5 Sec. 29. Section 85-1538, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 ~~85-1538~~ The Director of Administrative Services shall,
8 upon notification by the State Treasurer that sufficient funds
9 are available for payment, draw warrants on vouchers presented by
10 the budget division of the Department of Administrative Services
11 against funds appropriated and deliver such warrants to the various
12 community colleges.

13 Sec. 30. Section 13-518, Revised Statutes Cumulative
14 Supplement, 2006, is amended to read:

15 13-518 For purposes of sections 13-518 to 13-522:

16 (1) Allowable growth means (a) for governmental units
17 other than community colleges, the percentage increase in taxable
18 valuation in excess of the base limitation established under
19 section 77-3446, if any, due to improvements to real property as
20 a result of new construction, additions to existing buildings,
21 any improvements to real property which increase the value of
22 such property, and any increase in valuation due to annexation
23 and any personal property valuation over the prior year and (b)
24 for community colleges, (i) for fiscal years prior to fiscal year
25 2003-04 and after fiscal year 2004-05 until fiscal year 2007-08,
26 the percentage increase in excess of the base limitation, if any,
27 in full-time equivalent students from the second year to the first

1 year preceding the year for which the budget is being determined,
2 ~~and~~ (ii) for fiscal year 2003-04 and fiscal year 2004-05, the
3 percentage increase in full-time equivalent students from the
4 second year to the first year preceding the year for which the
5 budget is being determined, and (iii) for fiscal year 2007-08 and
6 each fiscal year thereafter, community college areas may exceed the
7 base limitation to equal base revenue need calculated pursuant to
8 section 23 of this act;

9 (2) Capital improvements means (a) acquisition of real
10 property or (b) acquisition, construction, or extension of any
11 improvements on real property;

12 (3) Governing body has the same meaning as in section
13 13-503;

14 (4) Governmental unit means every political subdivision
15 which has authority to levy a property tax or authority to
16 request levy authority under section 77-3443 except sanitary and
17 improvement districts which have been in existence for five years
18 or less and school districts;

19 (5) Qualified sinking fund means a fund or funds
20 maintained separately from the general fund to pay for acquisition
21 or replacement of tangible personal property with a useful life of
22 five years or more which is to be undertaken in the future but
23 is to be paid for in part or in total in advance using periodic
24 payments into the fund. The term includes sinking funds under
25 subdivision (13) of section 35-508 for firefighting and rescue
26 equipment or apparatus;

27 (6) Restricted funds means (a) property tax, excluding

1 any amounts refunded to taxpayers, (b) payments in lieu of property
2 taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e)
3 state aid, (f) transfers of surpluses from any user fee, permit
4 fee, or regulatory fee if the fee surplus is transferred to fund a
5 service or function not directly related to the fee and the costs
6 of the activity funded from the fee, (g) any funds excluded from
7 restricted funds for the prior year because they were budgeted for
8 capital improvements but which were not spent and are not expected
9 to be spent for capital improvements, (h) the tax provided in
10 sections 77-27,223 to 77-27,227 beginning in the second fiscal year
11 in which the county will receive a full year of receipts, and (i)
12 any excess tax collections returned to the county under section
13 77-1776; and

14 (7) State aid means:

15 (a) For all governmental units, state aid paid pursuant
16 to sections 60-3,202 and 77-3523;

17 (b) For municipalities, state aid to municipalities
18 paid pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3,190,
19 77-27,136, and 77-27,139.04 and insurance premium tax paid to
20 municipalities;

21 (c) For counties, state aid to counties paid pursuant
22 to sections 39-2501 to 39-2520, 47-119.01, 60-3,184 to 60-3,190,
23 77-27,136, and 77-3618, insurance premium tax paid to counties,
24 and reimbursements to counties from funds appropriated pursuant to
25 section 29-3933;

26 (d) For community colleges, state aid to community
27 colleges paid under ~~sections 85-1536 to 85-1537~~; the Community

1 College Foundation and Equalization Aid Act;

2 (e) For natural resources districts, state aid to natural
3 resources districts paid pursuant to section 77-27,136;

4 (f) For educational service units, state aid appropriated
5 under section 79-1241; and

6 (g) For local public health departments as defined in
7 section 71-1626, state aid as distributed under section 71-1628.08.

8 Sec. 31. Section 77-3442, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 77-3442 (1) Property tax levies for the support of local
11 governments for fiscal years beginning on or after July 1, 1998,
12 shall be limited to the amounts set forth in this section except as
13 provided in section 77-3444.

14 (2) (a) Except as provided in subdivision (2) (d) of this
15 section, school districts and multiple-district school systems,
16 except learning communities and school districts that are members
17 of learning communities, may levy a maximum levy of one dollar and
18 five cents per one hundred dollars of taxable valuation of property
19 subject to the levy.

20 (b) Except as provided in subdivision (2) (d) of this
21 section, for fiscal year 2008-09 and each fiscal year thereafter,
22 (i) learning communities may levy a maximum levy for the general
23 fund budgets of member school districts equal to the ratio of the
24 aggregate difference of one hundred ten percent of the formula
25 needs as calculated pursuant to section 79-1007.02 minus the amount
26 of state aid certified pursuant to section 79-1022 and minus the
27 other actual receipts included in local system formula resources

1 pursuant to section 79-1018.01 for each member school district for
2 such school fiscal year divided by each one hundred dollars of
3 taxable property subject to the levy, except that such levy shall
4 not exceed one dollar and two cents on each one hundred dollars
5 of taxable property subject to the levy, and (ii) school districts
6 that are members of learning communities may levy a maximum levy
7 of the difference of one dollar and two cents on each one hundred
8 dollars of taxable property subject to the levy minus the learning
9 community levy pursuant to this subdivision for purposes of such
10 school district's general fund budget and special building funds.

11 (c) Excluded from the limitations in subdivisions (a) and
12 (b) of this subsection are amounts levied to pay for sums agreed to
13 be paid by a school district to certificated employees in exchange
14 for a voluntary termination of employment and amounts levied
15 to pay for special building funds and sinking funds established
16 for projects commenced prior to April 1, 1996, for construction,
17 expansion, or alteration of school district buildings. For purposes
18 of this subsection, commenced means any action taken by the school
19 board on the record which commits the board to expend district
20 funds in planning, constructing, or carrying out the project.

21 (d) Federal aid school districts may exceed the maximum
22 levy prescribed by subdivision (2)(a) or (b) of this section
23 only to the extent necessary to qualify to receive federal aid
24 pursuant to Title VIII of Public Law 103-382, as such title existed
25 on September 1, 2001. For purposes of this subdivision, federal
26 aid school district means any school district which receives ten
27 percent or more of the revenue for its general fund budget from

1 federal government sources pursuant to Title VIII of Public Law
2 103-382, as such title existed on September 1, 2001.

3 (e) For school fiscal year 2002-03 through school fiscal
4 year 2007-08, school districts and multiple-district school systems
5 may, upon a three-fourths majority vote of the school board of
6 the school district, the board of the unified system, or the
7 school board of the high school district of the multiple-district
8 school system that is not a unified system, exceed the maximum
9 levy prescribed by subdivision (2)(a) of this section in an amount
10 equal to the net difference between the amount of state aid that
11 would have been provided under the Tax Equity and Educational
12 Opportunities Support Act without the temporary aid adjustment
13 factor as defined in section 79-1003 for the ensuing school fiscal
14 year for the school district or multiple-district school system
15 and the amount provided with the temporary aid adjustment factor.
16 The State Department of Education shall certify to the school
17 districts and multiple-district school systems the amount by which
18 the maximum levy may be exceeded for the next school fiscal year
19 pursuant to this subdivision (e) of this subsection on or before
20 February 15 for school fiscal years 2004-05 through 2007-08.

21 (f) For fiscal year 2008-09 and each fiscal year
22 thereafter, learning communities may levy a maximum levy of two
23 cents on each one hundred dollars of taxable property subject to
24 the levy for special building funds for member school districts.

25 (g) For fiscal year 2008-09 and each fiscal year
26 thereafter, learning communities may levy a maximum levy of one
27 cent on each one hundred dollars of taxable property subject to the

1 levy for the learning community budget and for projects approved by
2 the learning community coordinating council.

3 (3) Community colleges may levy a maximum levy calculated
4 pursuant to the Community College Foundation and Equalization Aid
5 Act on each one hundred dollars of taxable property subject to
6 the levy of seven cents, plus amounts allowed under subsection
7 ~~(7) of section 85-1536.01, except that any community college whose~~
8 ~~valuation per reported aid equivalent student as defined in section~~
9 ~~85-1503 was less than eighty-two percent of the average valuation~~
10 ~~per statewide reimbursable reported aid equivalent total as defined~~
11 ~~in section 85-1503 for all community colleges for fiscal year~~
12 ~~1997-98 may levy up to an additional one-half cent for each of~~
13 ~~fiscal years 2005-06 and 2006-07 upon a three-fourths majority vote~~
14 ~~of the board.~~

15 (4) Natural resources districts may levy a maximum levy
16 of four and one-half cents per one hundred dollars of taxable
17 valuation of property subject to the levy. Natural resources
18 districts shall also have the power and authority to levy a
19 tax equal to the dollar amount by which their restricted funds
20 budgeted to administer and implement ground water management
21 activities and integrated management activities under the Nebraska
22 Ground Water Management and Protection Act exceed their restricted
23 funds budgeted to administer and implement ground water management
24 activities and integrated management activities for FY2003-04,
25 not to exceed one cent on each one hundred dollars of taxable
26 valuation annually on all of the taxable property within the
27 district. In addition, natural resources districts located in a

1 river basin, subbasin, or reach that has been determined to be
2 fully appropriated pursuant to section 46-714 or designated as
3 overappropriated pursuant to section 46-713 by the Department of
4 Natural Resources shall also have the power and authority to
5 levy a tax equal to the dollar amount by which their restricted
6 funds budgeted to administer and implement ground water management
7 activities and integrated management activities under the Nebraska
8 Ground Water Management and Protection Act exceed their restricted
9 funds budgeted to administer and implement ground water management
10 activities and integrated management activities for FY2005-06, not
11 to exceed three cents on each one hundred dollars of taxable
12 valuation on all of the taxable property within the district for
13 fiscal year 2006-07 and not to exceed two cents on each one
14 hundred dollars of taxable valuation annually on all of the taxable
15 property within the district for fiscal years 2007-08 and 2008-09.

16 (5) Educational service units may levy a maximum levy of
17 one and one-half cents per one hundred dollars of taxable valuation
18 of property subject to the levy.

19 (6) (a) Incorporated cities and villages which are not
20 within the boundaries of a municipal county may levy a maximum levy
21 of forty-five cents per one hundred dollars of taxable valuation
22 of property subject to the levy plus an additional five cents per
23 one hundred dollars of taxable valuation to provide financing for
24 the municipality's share of revenue required under an agreement
25 or agreements executed pursuant to the Interlocal Cooperation Act
26 or the Joint Public Agency Act. The maximum levy shall include
27 amounts levied to pay for sums to support a library pursuant

1 to section 51-201, museum pursuant to section 51-501, visiting
2 community nurse, home health nurse, or home health agency pursuant
3 to section 71-1637, or statue, memorial, or monument pursuant to
4 section 80-202.

5 (b) Incorporated cities and villages which are within the
6 boundaries of a municipal county may levy a maximum levy of ninety
7 cents per one hundred dollars of taxable valuation of property
8 subject to the levy. The maximum levy shall include amounts paid
9 to a municipal county for county services, amounts levied to pay
10 for sums to support a library pursuant to section 51-201, a museum
11 pursuant to section 51-501, a visiting community nurse, home health
12 nurse, or home health agency pursuant to section 71-1637, or a
13 statue, memorial, or monument pursuant to section 80-202.

14 (7) Sanitary and improvement districts which have been in
15 existence for more than five years may levy a maximum levy of forty
16 cents per one hundred dollars of taxable valuation of property
17 subject to the levy, and sanitary and improvement districts which
18 have been in existence for five years or less shall not have
19 a maximum levy. Unconsolidated sanitary and improvement districts
20 which have been in existence for more than five years and are
21 located in a municipal county may levy a maximum of eighty-five
22 cents per hundred dollars of taxable valuation of property subject
23 to the levy.

24 (8) Counties may levy or authorize a maximum levy of
25 fifty cents per one hundred dollars of taxable valuation of
26 property subject to the levy, except that five cents per one
27 hundred dollars of taxable valuation of property subject to the

1 levy may only be levied to provide financing for the county's
2 share of revenue required under an agreement or agreements executed
3 pursuant to the Interlocal Cooperation Act or the Joint Public
4 Agency Act. The maximum levy shall include amounts levied to pay
5 for sums to support a library pursuant to section 51-201 or museum
6 pursuant to section 51-501. The county may allocate up to fifteen
7 cents of its authority to other political subdivisions subject
8 to allocation of property tax authority under subsection (1) of
9 section 77-3443 and not specifically covered in this section to
10 levy taxes as authorized by law which do not collectively exceed
11 fifteen cents per one hundred dollars of taxable valuation on any
12 parcel or item of taxable property. The county may allocate to
13 one or more other political subdivisions subject to allocation
14 of property tax authority by the county under subsection (1) of
15 section 77-3443 some or all of the county's five cents per one
16 hundred dollars of valuation authorized for support of an agreement
17 or agreements to be levied by the political subdivision for the
18 purpose of supporting that political subdivision's share of revenue
19 required under an agreement or agreements executed pursuant to the
20 Interlocal Cooperation Act or the Joint Public Agency Act. If an
21 allocation by a county would cause another county to exceed its
22 levy authority under this section, the second county may exceed the
23 levy authority in order to levy the amount allocated.

24 (9) Municipal counties may levy or authorize a maximum
25 levy of one dollar per one hundred dollars of taxable valuation
26 of property subject to the levy. The municipal county may allocate
27 levy authority to any political subdivision or entity subject to

1 allocation under section 77-3443.

2 (10) Property tax levies for judgments, except judgments
3 or orders from the Commission of Industrial Relations, obtained
4 against a political subdivision which require or obligate a
5 political subdivision to pay such judgment, to the extent such
6 judgment is not paid by liability insurance coverage of a
7 political subdivision, for preexisting lease-purchase contracts
8 approved prior to July 1, 1998, for bonded indebtedness approved
9 according to law and secured by a levy on property, and for
10 payments by a public airport to retire interest-free loans from the
11 Department of Aeronautics in lieu of bonded indebtedness at a lower
12 cost to the public airport are not included in the levy limits
13 established by this section.

14 (11) The limitations on tax levies provided in this
15 section are to include all other general or special levies
16 provided by law. Notwithstanding other provisions of law, the
17 only exceptions to the limits in this section are those provided by
18 or authorized by sections 77-3442 to 77-3444.

19 (12) Tax levies in excess of the limitations in this
20 section shall be considered unauthorized levies under section
21 77-1606 unless approved under section 77-3444.

22 (13) For purposes of sections 77-3442 to 77-3444,
23 political subdivision means a political subdivision of this state
24 and a county agricultural society.

25 Sec. 32. Section 85-9,177, Revised Statutes Cumulative
26 Supplement, 2006, is amended to read:

27 85-9,177 Sections 85-9,177 to 85-9,182 shall be known and

1 may be cited as the ~~Minority~~ Student Diversity Scholarship Program
2 Act.

3 Sec. 33. Section 85-9,178, Revised Statutes Cumulative
4 Supplement, 2006, is amended to read:

5 85-9,178 (1) The Legislature finds that the State of
6 Nebraska has a compelling interest to provide access to the
7 University of Nebraska, the state colleges, and the community
8 colleges for ~~Black, American Indian, and Hispanic~~ minority students
9 and students from diverse racial, ethnic, and cultural backgrounds
10 who often find that the financial requirements of postsecondary
11 education ~~often represent major obstacles to such students because~~
12 ~~of the lack of financial resources available to them.~~ are a major
13 obstacle. The Legislature further finds that the State of Nebraska
14 has a compelling interest in attaining greater diversity in the
15 racial, ethnic, and cultural makeup of the student bodies at the
16 University of Nebraska, the state colleges, and the community
17 colleges because of the educational benefits that a diverse
18 educational environment will produce for all students attending
19 the University of Nebraska, the state colleges, and the community
20 colleges.

21 (2) It is the intent of the Legislature:

22 (a) To appropriate funds to support a ~~minority~~
23 ~~scholarship~~ student diversity program ~~to serve as a temporary~~
24 ~~measure for the purpose of eliminating the statistical disparity~~
25 ~~between the representation of full-time Black, American Indian,~~
26 ~~and Hispanic~~ minority students in the undergraduate population
27 of the University of Nebraska, the state colleges, and the

1 ~~community colleges and the representation of such minority~~
2 ~~students in the student population of the primary and secondary~~
3 ~~schools of this state and for the purpose of developing a more~~
4 ~~racially, ethnically, and culturally diverse student body at such~~
5 ~~public bodies at the state's public postsecondary educational~~
6 ~~institutions;~~

7 (b) That ~~Black, American Indian, and Hispanic minority~~
8 ~~students attending the University of Nebraska, a state college,~~
9 ~~or a community college will be eligible to participate in the~~
10 ~~scholarship program supported pursuant to the Minority Scholarship~~
11 ~~Program Act, and the student diversity scholarship program be~~
12 ~~designed and implemented so as to achieve a greater racial, ethnic,~~
13 ~~and cultural diversity in student populations in fulfillment of the~~
14 ~~compelling interest found by the Legislature pursuant to subsection~~
15 ~~(1) of this section; and~~

16 (c) That all funds appropriated by the Legislature
17 for ~~minority student diversity scholarships~~ at the University
18 of Nebraska, the state colleges, and the community colleges
19 shall be used in coordination with private donations for such
20 scholarships and in consultation with the major donors thereof
21 and in coordination with federal grant funds available to ~~minority~~
22 ~~students at such institutions~~ the University of Nebraska, the state
23 colleges, and the community colleges so as to maximize the level of
24 benefits and accomplish the purposes of the ~~act.~~ Student Diversity
25 Scholarship Program Act.

26 Sec. 34. Section 85-9,179, Revised Statutes Cumulative
27 Supplement, 2006, is amended to read:

1 85-9,179 (1) All funds appropriated by the Legislature
2 for the ~~Minority~~ Student Diversity Scholarship Program Act shall
3 be used to support endowed scholarship funds which shall be held,
4 managed, and invested as authorized by section 72-1246 with only
5 the income therefrom expended for scholarships.

6 (2) The purpose of such endowed scholarship funds is to
7 provide total or partial undergraduate scholarships for tuition,
8 fees, board and room, and books at all campuses of the University
9 of Nebraska, the state colleges, and the community colleges to
10 full-time undergraduate students ~~from Black, American Indian, and~~
11 ~~Hispanic minority groups which are underrepresented in the student~~
12 ~~population of such public institutions~~ who fulfill the criteria for
13 award of a student diversity scholarship and who cannot afford such
14 educational expenses due to lack of financial resources available
15 to them.

16 Sec. 35. Section 85-9,180, Revised Statutes Cumulative
17 Supplement, 2006, is amended to read:

18 85-9,180 ~~(1)~~ Funds appropriated in years prior to
19 fiscal year 2000-01 for the minority scholarship program supported
20 pursuant to section 85-1,125 as such section existed prior to July
21 13, 2000, shall be used, administered, and distributed only for the
22 benefit of students at the University of Nebraska in such manner as
23 the Board of Regents of the University of Nebraska shall determine.

24 ~~(2)~~ (1) Funds appropriated for fiscal year 2000-01 and
25 each fiscal year thereafter before fiscal year 2007-08 for the
26 Minority Scholarship Program Act as it existed immediately prior to
27 the operative date of this section shall be used for the benefit

1 of students pursuant to the Minority Scholarship Program Act at
2 the University of Nebraska, the state colleges, and the community
3 colleges.

4 (2) Funds appropriated for fiscal year 2007-08 and each
5 fiscal year thereafter for the Student Diversity Scholarship
6 Program Act shall be used for the benefit of students pursuant
7 to the Student Diversity Scholarship Program Act at the University
8 of Nebraska, the state colleges, and the community colleges.

9 Sec. 36. Section 85-9,181, Revised Statutes Cumulative
10 Supplement, 2006, is amended to read:

11 85-9,181 (1) Funds appropriated for the Minority Student
12 Diversity Scholarship Program Act for the benefit of students at
13 the University of Nebraska and students attending any community
14 colleges who are enrolled in an associate degree program with the
15 intention of transferring to the University of Nebraska shall be
16 used, administered, and invested in such manner as the Board of
17 Regents of the University of Nebraska, in consultation with the
18 ~~boards~~ board of governors of each participating community college,
19 shall determine.

20 (2) Funds appropriated for the Minority Student Diversity
21 Scholarship Program Act for the benefit of students at the state
22 colleges and students attending any community colleges who are
23 enrolled in an associate degree program with the intention of
24 transferring to a state college shall be used, administered, and
25 invested in such manner as the Board of Trustees of the Nebraska
26 State Colleges, in consultation with the ~~boards~~ board of governors
27 of each participating community college, shall determine.

1 Sec. 37. Section 85-9,182, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 85-9,182 ~~Awards~~ Criteria for the award of scholarships
4 under the ~~Minority~~ Student Diversity Scholarship Program Act shall
5 be determined by a committee selected by the Board of Regents of
6 the University of Nebraska, the Board of Trustees of the Nebraska
7 State Colleges, and the community college boards of governors.
8 The committee shall include members of underrepresented minority
9 groups and private donors to the endowed scholarship funds. Awards
10 shall be consistent with the intent stated in the act and with
11 the constitutions and laws of the United States and the State of
12 Nebraska.

13 Sec. 38. Section 85-1416, Revised Statutes Cumulative
14 Supplement, 2006, is amended to read:

15 85-1416 (1) Pursuant to the authority granted in
16 Article VII, section 14, of the Constitution of Nebraska and
17 the Coordinating Commission for Postsecondary Education Act, the
18 commission shall, in accordance with the coordination function of
19 the commission pursuant to section 85-1403, review and modify, if
20 needed to promote compliance and consistency with the comprehensive
21 statewide plan and prevent unnecessary duplication, the budget
22 requests of the governing boards.

23 (2)(a) At least thirty days prior to submitting to
24 the Governor their biennial budget requests pursuant to section
25 81-1113 and any major deficit appropriation requests pursuant
26 to instructions of the Department of Administrative Services,
27 the Board of Regents of the University of Nebraska and the

1 Board of Trustees of the Nebraska State Colleges shall each
2 submit to the commission an outline of its proposed operating
3 budget. The outline of its proposed operating budget or outline
4 of proposed state aid request shall include those information
5 summaries provided to the institution's governing board describing
6 the respective institution's budget for the next fiscal year or
7 biennium. The outline shall contain projections of funds necessary
8 for (i) the retention of current programs and services at current
9 funding levels, (ii) any inflationary costs necessary to maintain
10 current programs and services at the current programmatic or
11 service levels, and (iii) proposed new and expanded programs and
12 services. In addition to the outline, the commission may request
13 an institution to provide to the commission any other supporting
14 information to assist the commission in its budget review process.
15 An institution may comply with such requests pursuant to section
16 85-1417.

17 (b) On September 15 of each biennial budget request
18 year, the boards of governors of the community colleges or their
19 designated representatives shall submit to the commission outlines
20 of their proposed state aid requests pursuant to ~~sections 85-1536~~
21 ~~and 85-1537.~~ the Community College Foundation and Equalization Aid
22 Act.

23 (c) The commission shall analyze institutional budget
24 priorities in light of the comprehensive statewide plan, role and
25 mission assignments, and the goal of prevention of unnecessary
26 duplication. The commission shall submit to the Governor and
27 Legislature by October 15 of each year recommendations for approval

1 or modification of the budget requests together with a rationale
2 for its recommendations. The analysis and recommendations by the
3 commission shall focus on budget requests for new and expanded
4 programs and services and major statewide funding issues or
5 initiatives as identified in the comprehensive statewide plan.
6 If an institution does not comply with the commission's request
7 pursuant to subdivision (a) of this subsection for additional
8 budget information, the commission may so note the refusal
9 and its specific information request in its report of budget
10 recommendations. The commission shall also provide to the Governor
11 and the Appropriations Committee of the Legislature on or before
12 October 1 of each even-numbered year a report identifying public
13 policy issues relating to student tuition and fees, including
14 the appropriate relative differentials of tuition and fee levels
15 between the sectors of public postsecondary education in the state
16 consistent with the comprehensive statewide plan.

17 (3) At least thirty days prior to submitting to the
18 Governor their biennial budget requests pursuant to section
19 81-1113 and any major deficit appropriation requests pursuant to
20 instructions of the Department of Administrative Services, the
21 Board of Regents of the University of Nebraska and the Board of
22 Trustees of the Nebraska State Colleges shall each submit to the
23 commission information the commission deems necessary regarding
24 each board's capital construction budget requests. The commission
25 shall review the capital construction budget request information
26 and may recommend to the Governor and the Legislature modification,
27 approval, or disapproval of such requests consistent with the

1 statewide facilities plan and any project approval determined
2 pursuant to subsection (10) of section 85-1414 and to section
3 85-1415. The commission shall develop from a statewide perspective
4 a unified prioritization of individual capital construction budget
5 requests for which it has recommended approval and submit such
6 prioritization to the Governor and the Legislature for their
7 consideration. In establishing its prioritized list, the commission
8 may consider and respond to the priority order established by the
9 Board of Regents or the Board of Trustees in their respective
10 capital construction budget requests.

11 (4) Nothing in this section shall be construed to affect
12 other constitutional, statutory, or administrative requirements for
13 the submission of budget or state aid requests by the governing
14 boards to the Governor and the Legislature.

15 Sec. 39. Section 85-1418, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 85-1418 (1) No state warrant shall be issued by the
18 Department of Administrative Services or used by any public
19 institution for the purpose of funding any program or capital
20 construction project which has not been approved or which has
21 been disapproved by the commission pursuant to the Coordinating
22 Commission for Postsecondary Education Act. If state funding for
23 any such program or project cannot be or is not divided into
24 warrants separate from other programs or projects, the department
25 shall reduce a warrant to the public institution which includes
26 funding for the program or project by the amount of tax funds
27 designated by the Legislature which are budgeted in that fiscal

1 year by the public institution for use for the program or project.

2 (2) The department may reduce the amount of state aid
3 distributed to a community college area pursuant to ~~sections~~
4 ~~85-1536 and 85-1537~~ the Community College Foundation and
5 Equalization Aid Act by the amount of funds used by the area to
6 provide a program or capital construction project which has not
7 been approved or which has been disapproved by the commission.

8 (3) The district court of Lancaster County shall have
9 jurisdiction to enforce an order or decision of the commission
10 entered pursuant to the Coordinating Commission for Postsecondary
11 Education Act and to enforce this section.

12 (4) Any person or public institution aggrieved by a
13 final order of the commission entered pursuant to section 85-1413,
14 85-1414, 85-1415, or 85-1416 shall be entitled to judicial review
15 of the order. Proceedings for review shall be instituted by filing
16 a petition in the district court of Lancaster County within thirty
17 days after public notice of the final decision by the commission
18 is given. The filing of the petition or the service of summons
19 upon the commission shall not stay enforcement of such order. The
20 review shall be conducted by the court without a jury on the
21 record of the commission. The court shall have jurisdiction to
22 enjoin enforcement of any order of the commission which is (a)
23 in violation of constitutional provisions, (b) in excess of the
24 constitutional or statutory authority of the commission, (c) made
25 upon unlawful procedure, or (d) affected by other error of law.

26 (5) A party may secure a review of any final judgment of
27 the district court by appeal to the Court of Appeals. Such appeal

1 shall be taken in the manner provided by law for appeals in civil
2 cases and shall be heard de novo on the record.

3 Sec. 40. Section 85-1503, Revised Statutes Cumulative
4 Supplement, 2006, is amended to read:

5 85-1503 For purposes of sections 85-1501 to 85-1540,
6 unless the context otherwise requires:

7 (1) Community college ~~shall mean~~ means an educational
8 institution operating and offering programs pursuant to such
9 sections;

10 (2) Community college area ~~shall mean~~ means an area
11 established by section 85-1504;

12 (3) Board ~~shall mean~~ means the Community College Board of
13 Governors for each community college area;

14 (4) Full-time equivalent student ~~shall mean,~~ means,
15 in the aggregate, the equivalent of a registered student who
16 in a twelve-month period is enrolled in (a) thirty semester
17 credit hours or forty-five quarter credit hours of classroom,
18 laboratory, clinical, practicum, or independent study course work
19 or cooperative work experience or (b) nine hundred contact hours of
20 classroom or laboratory course work for which credit hours are not
21 offered or awarded. Avocational and recreational community service
22 programs or courses ~~shall not be~~ are not included in determining
23 full-time equivalent students or student enrollment;

24 (5) Contact hour ~~shall mean~~ means an educational activity
25 consisting of sixty minutes minus break time and required time to
26 change classes;

27 (6) Credit hour ~~shall mean~~ means the unit used to

1 ascertain the educational value of course work offered by the
2 institution to students enrolling for such course work, earned
3 by such students upon successful completion of such course work,
4 and for which tuition is charged. A credit hour may be offered
5 and earned in any of several instructional delivery systems,
6 including, but not limited to, classroom hours, laboratory hours,
7 clinical hours, practicum hours, cooperative work experience, and
8 independent study. A credit hour shall consist of a minimum of: (a)
9 Ten quarter or fifteen semester classroom contact hours per term of
10 enrollment; (b) twenty quarter or thirty semester academic transfer
11 and academic support laboratory hours per term of enrollment; (c)
12 thirty quarter or forty-five semester vocational laboratory hours
13 per term of enrollment; (d) thirty quarter or forty-five semester
14 clinical or practicum contact hours per term of enrollment; or
15 (e) forty quarter or sixty semester cooperative work experience
16 contact hours per term of enrollment. An institution may include
17 in a credit hour more classroom, laboratory, clinical, practicum,
18 or cooperative work experience hours than the minimum required in
19 this subdivision. The institution shall publish in its catalog, or
20 otherwise make known to the student in writing prior to the student
21 enrolling or paying tuition for any courses, the number of credit
22 or contact hours offered in each such course. Such published credit
23 or contact hour offerings shall be used to determine whether a
24 student is a full-time equivalent student pursuant to subdivision
25 (4) of this section;

26 (7) Classroom hour ~~shall mean~~ means a minimum of fifty
27 minutes of formalized instruction on campus or off campus in which

1 a qualified instructor applying any combination of instructional
2 methods such as lecture, directed discussion, demonstration, or the
3 presentation of audiovisual materials is responsible for providing
4 an educational experience to students;

5 (8) Laboratory hour ~~shall mean~~ means a minimum of fifty
6 minutes of educational activity on campus or off campus in
7 which students conduct experiments, perfect skills, or practice
8 procedures under the direction of a qualified instructor;

9 (9) Clinical hour ~~shall mean~~ means a minimum of fifty
10 minutes of educational activity on campus or off campus during
11 which the student is assigned practical experience under constant
12 supervision at a health-related agency, receives individual
13 instruction in the performance of a particular function, and is
14 observed and critiqued in the repeat performance of such function.
15 Adjunct professional personnel, who may or may not be paid by the
16 college, may be used for the directed supervision of students and
17 for the delivery of part of the didactic phase of the experience;

18 (10) Practicum hour ~~shall mean~~ means a minimum of fifty
19 minutes of educational activity on campus or off campus during
20 which the student is assigned practical experiences, receives
21 individual instruction in the performance of a particular function,
22 and is observed and critiqued by an instructor in the repeat
23 performance of such function. Adjunct professional personnel, who
24 may or may not be paid by the college, may be used for the directed
25 supervision of the students;

26 (11) Cooperative work experience ~~shall mean~~ means an
27 internship or on-the-job training, designed to provide specialized

1 skills and educational experiences, which is coordinated,
2 supervised, observed, and evaluated by qualified college staff or
3 faculty and may be completed on campus or off campus, depending
4 on the nature of the arrangement;

5 (12) Independent study ~~shall mean~~ means an arrangement
6 between an instructor and a student in which the instructor is
7 responsible for assigning work activity or skill objectives to
8 the student, personally providing needed instruction, assessing the
9 student's progress, and assigning a final grade. Credit hours shall
10 be assigned according to the practice of assigning credits in
11 similar courses;

12 (13) Full-time equivalent student enrollment total ~~shall~~
13 ~~mean~~ means the total of full-time equivalent students enrolled in a
14 community college in any fiscal year;

15 (14) General academic transfer course ~~shall mean~~ means a
16 course offering in a one-year or two-year degree-credit program,
17 at the associate degree level or below, intended by the offering
18 institution for transfer into a baccalaureate program. The
19 completion of the specified courses in a general academic transfer
20 program may include the award of a formal degree;

21 (15) Applied technology or occupational course ~~shall~~
22 ~~mean~~ means a course offering in an instructional program, at the
23 associate degree level or below, intended to prepare individuals
24 for immediate entry into a specific occupation or career. The
25 primary intent of the institutions offering an applied technology
26 or occupational program shall be that such program is for immediate
27 job entry. The completion of the specified courses in an applied

1 technology or occupational program may include the award of a
2 formal degree, diploma, or certificate;

3 (16) Academic support course ~~shall mean~~ means a general
4 education academic course offering which may be necessary to
5 support an applied technology or occupational program;

6 (17) Class 1 course ~~shall mean~~ means an applied
7 technology or occupational course offering which requires the use
8 of equipment, facilities, or instructional methods easily adaptable
9 for use in a general academic transfer program classroom or
10 laboratory;

11 (18) Class 2 course ~~shall mean~~ means an applied
12 technology or occupational course offering which requires the use
13 of specialized equipment, facilities, or instructional methods not
14 easily adaptable for use in a general academic transfer program
15 classroom or laboratory;

16 ~~(19) Reported aid equivalent student shall mean a~~
17 ~~full-time equivalent student subject to the following limitations:~~

18 ~~(a) The number of credit hours which can be counted for~~
19 ~~each student per semester or quarter shall be limited to eighteen~~
20 ~~credit hours;~~

21 ~~(b) For students enrolled for more than eighteen credit~~
22 ~~hours, credit hours for each course shall be prorated as the~~
23 ~~eighteen-credit-hour limit is to the student's total credit hours~~
24 ~~for the semester or quarter;~~

25 ~~(c) The credit-hour limit for a special instructional~~
26 ~~term shall be prorated on the same ratio that a fifteen-week term~~
27 ~~is to eighteen semester credit hours or a ten-week term is to~~

1 ~~eighteen quarter credit hours;~~ and

2 ~~(d) (19) Full-time equivalent student means a full-time~~
3 ~~equivalent student subject to the following limitation:~~ The number
4 of credit and contact hours which shall be counted by any community
5 college area in which a tribally controlled community college
6 is located shall include credit and contact hours awarded by
7 such tribally controlled community college to students for which
8 such institution received no federal reimbursement pursuant to the
9 Tribally Controlled Community College Assistance Act, 25 U.S.C.
10 1801;

11 (20) ~~Reported aid Full-time equivalent total shall~~
12 ~~mean means~~ the total of all ~~reported aid full-time equivalents~~
13 accumulated in a community college area in any fiscal year;

14 (21) Reimbursable educational unit ~~shall mean means~~ a
15 ~~reported aid full-time equivalent~~ student multiplied by (a) for
16 a general academic transfer course or an academic support course,
17 a factor of one, (b) for a Class 1 course, a factor of one
18 and fifty-hundredths, (c) for a Class 2 course, a factor of ~~one~~
19 ~~and eight-tenths for fiscal year 1995-96 and for the three-year~~
20 ~~averages,~~ a factor of one and nine-tenths for fiscal year 1996-97
21 ~~and for the three-year averages,~~ and a factor of two for fiscal
22 year 1997-98 and each fiscal year thereafter and for the three-year
23 ~~averages,~~ two, (d) for a tribally controlled community college
24 general academic transfer course or academic support course, a
25 factor of two, (e) for a tribally controlled community college
26 Class 1 course, a factor of three, and (f) for a tribally
27 controlled community college Class 2 course, a factor of ~~three and~~

1 ~~six-tenths for fiscal year 1995-96 and for the three-year averages,~~
2 ~~a factor of three and eight-tenths for fiscal year 1996-97 and~~
3 ~~for the three-year averages,~~ and a factor of four for fiscal year
4 1997-98 and each fiscal year thereafter and for the three-year
5 averages; four;

6 (22) Reimbursable educational unit total ~~shall mean~~ means
7 the total of all reimbursable educational units accumulated in a
8 community college area in any fiscal year;

9 (23) Special instructional term ~~shall mean~~ means any term
10 which is less than fifteen weeks for community colleges using
11 semesters or ten weeks for community colleges using quarters;

12 (24) Statewide reimbursable ~~reported aid~~ full-time
13 equivalent total ~~shall mean~~ means the total of all reimbursable
14 ~~reported aid~~ full-time equivalents accumulated statewide for the
15 community college in any fiscal year;

16 (25) Tribally controlled community college ~~shall mean~~
17 means an educational institution operating and offering programs
18 pursuant to the Tribally Controlled Community College Assistance
19 Act, 25 U.S.C. 1801; and

20 (26) Tribally controlled community college state aid
21 amount ~~shall mean~~ means the quotient of the amount of state aid
22 to be distributed pursuant to ~~sections 85-1536 and 85-1537~~ the
23 Community College Foundation and Equalization Aid Act for the
24 current fiscal year to a community college area in which a tribally
25 controlled community college is located divided by ~~the average of~~
26 the reimbursable educational unit ~~totals~~ total for such community
27 college area for the immediately preceding ~~three fiscal years,~~

1 fiscal year, with such quotient then multiplied by the average
2 reimbursable educational units derived pursuant to subdivision
3 ~~(19)(d)~~ (19) of this section for the immediately preceding ~~three~~
4 ~~fiscal years.~~ fiscal year.

5 Sec. 41. Section 85-1511, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 85-1511 In addition to any other powers and duties
8 imposed upon the community college system or its areas, campuses,
9 or boards by the Community College Foundation and Equalization Aid
10 Act, sections 85-917 to 85-966 and 85-1501 to 85-1540, and any
11 other provision of law, each board shall:

12 (1) Have general supervision, control, and operation of
13 each community college within its jurisdiction;

14 (2) Subject to coordination by the Coordinating
15 Commission for Postsecondary Education as prescribed in the
16 Coordinating Commission for Postsecondary Education Act, develop
17 and offer programs of applied technology education, academic
18 transfer programs, academic support courses, and such other
19 programs and courses as the needs of the community college area
20 served may require. The board shall avoid unnecessary duplication
21 of existing programs and courses in meeting the needs of the
22 students and the community college area;

23 (3) Employ, for a period to be fixed by the board,
24 executive officers, members of the faculty, and such other
25 administrative officers and employees as may be necessary or
26 appropriate and fix their salaries and duties;

27 (4) Subject to coordination by the Coordinating

1 Commission for Postsecondary Education as prescribed in the
2 Coordinating Commission for Postsecondary Education Act, construct,
3 lease, purchase, purchase on contract, operate, equip, and maintain
4 facilities;

5 (5) Contract for services connected with the operation of
6 the community college area as needs and interest demand;

7 (6) Cause an examination and comprehensive audit of
8 the books, accounts, records, and affairs, including full-time
9 equivalent student enrollment totals, ~~reported aid~~ full-time
10 equivalent totals, and reimbursable educational unit totals
11 as defined in section 85-1503, to be made annually covering
12 the most recently completed fiscal year. The audit of each
13 area shall include the full-time equivalent student enrollment
14 totals, ~~reported aid~~ full-time equivalent totals, and reimbursable
15 educational unit totals for the three most recently completed
16 fiscal years which shall be used for calculation of aid to the
17 community college areas as prescribed in ~~section 85-1536.~~ the
18 Community College Foundation and Equalization Aid Act. The audit
19 shall also include the county-certified property valuations for the
20 community college area for the three most recently completed fiscal
21 years which shall be used for calculation of aid to such community
22 college areas. Such examination and audit of the books, accounts,
23 records, and affairs shall be completed and filed with the Auditor
24 of Public Accounts and the Department of Administrative Services
25 on or before October 15 of each year. The examination and audit
26 of the full-time equivalent student enrollment totals, ~~reported~~
27 ~~aid~~ full-time equivalent totals, and reimbursable educational unit

1 totals shall be completed and filed with the Auditor of Public
2 Accounts and the Department of Administrative Services on or before
3 August 15 of each year;

4 (7) Establish fees and charges for the facilities
5 authorized by sections 85-1501 to 85-1540. Each board may enter
6 into agreements with owners of facilities to be used for housing
7 regarding the management, operation, and government of such
8 facilities and may employ necessary employees to govern, manage,
9 and operate such facilities;

10 (8) Receive such gifts, grants, conveyances, and bequests
11 of real and personal property from public or private sources as
12 may be made from time to time, in trust or otherwise, whenever
13 the terms and conditions thereof will aid in carrying out the
14 community college programs as specified by law. Each board may
15 sell, lease, exchange, invest, or expend such gifts, grants,
16 conveyances, and bequests or the proceeds, rents, profits, and
17 income therefrom according to the terms and conditions thereof and
18 adopt and promulgate rules and regulations governing the receipt
19 and expenditure of such proceeds, rents, profits, and income,
20 except that acceptance of such gifts, grants, or conveyances shall
21 not be conditioned on matching state or local funds;

22 (9) Prescribe the courses of study for any community
23 college under its control and publish such catalogs and bulletins
24 as may be necessary;

25 (10) Grant to every student upon graduation or completion
26 of a course of study a suitable diploma, associate degree, or
27 certificate;

1 (11) Adopt and promulgate such rules and regulations
2 and perform all other acts as the board may deem necessary
3 or appropriate to the administration of the community college
4 area. Such rules and regulations shall include, but not be
5 limited to, rules and regulations relating to facilities, housing,
6 scholarships, discipline, and pedestrian and vehicular traffic on
7 property owned, operated, or maintained by the community college
8 area;

9 (12) Employ, for a period to be fixed by the board, an
10 executive officer for the community college area and, by written
11 order filed in its office, delegate to such executive officer
12 any of the powers and duties vested in or imposed upon it by
13 sections 85-1501 to 85-1540. Such delegated powers and duties may
14 be exercised in the name of the board;

15 (13) Acquire real property by eminent domain pursuant to
16 sections 76-701 to 76-724;

17 (14) Acquire real and personal property and sell, convey,
18 or lease such property whenever the community college area will
19 be benefited thereby. The sale, conveyance, or lease of any real
20 estate owned by a community college area shall be effective only
21 when authorized by an affirmative vote of at least two-thirds of
22 all the members of the board;

23 (15) Enter into agreements for services, facilities, or
24 equipment and for the presentation of courses for students when
25 such agreements are deemed to be in the best interests of the
26 education of the students involved;

27 (16) Transfer tribally controlled community college state

1 aid amounts to a tribally controlled community college located
2 within its community college area;

3 (17) Invest, after proper consideration of the
4 requirements for the availability of money, funds of the community
5 college in securities the nature of which individuals of prudence,
6 discretion, and intelligence acquire or retain in dealing with the
7 property of another;

8 (18) Establish tuition rates for courses of instruction
9 offered by each community college within its community college
10 area. Separate tuition rates shall be established for students who
11 are nonresidents of the State of Nebraska;

12 (19) Establish a fiscal year for the community college
13 area which conforms to the fiscal year of the state; and

14 (20) Exercise any other powers, duties, and
15 responsibilities necessary to carry out sections 85-1501 to
16 85-1540.

17 Sec. 42. Section 85-1517, Revised Statutes Cumulative
18 Supplement, 2006, is amended to read:

19 85-1517 (1) The board may certify to the county board of
20 equalization of each county within the community college area a tax
21 levy not to exceed ~~six cents~~ the maximum levy calculated pursuant
22 to the Community College Foundation and Equalization Aid Act on
23 each one hundred dollars on the taxable valuation of all property
24 subject to the levy within the community college area, uniform
25 throughout such area, for the purpose of supporting operating
26 expenditures of the community college area.

27 (2) (a) In addition to the levies provided in subsection

1 (1) of this section and this subsection, the board may certify
2 to the county board of equalization of each county within the
3 community college area a tax levy of not to exceed one cent on each
4 one hundred dollars on the taxable valuation of all property within
5 the community college area, uniform throughout such area, for the
6 purpose of establishing a capital improvement fund and bond sinking
7 fund as provided in section 85-1515.

8 (b) In addition to the levies provided in subsection (1)
9 of this section and this subsection, the board may also certify
10 to the county board of equalization of each county within the
11 community college area a tax levy on each one hundred dollars on
12 the taxable valuation of all property within the community college
13 area, uniform throughout such area, in the amount which will
14 produce funds only in the amount necessary to pay for funding
15 accessibility barrier elimination project costs and abatement
16 of environmental hazards as such terms are defined in section
17 79-10,110. Such tax levy shall not be so certified unless approved
18 by an affirmative vote of a majority of the board taken at a
19 public meeting of the board following notice and a hearing. The
20 board shall give at least seven days' notice of such public hearing
21 and shall publish such notice once in a newspaper of general
22 circulation in the area to be affected by the increase.

23 (c) In addition to the levies provided in subsection (1)
24 of this section and this subsection, the board of any community
25 college area whose valuation per ~~reported~~ aid full-time equivalent
26 student was less than eighty-two percent of the statewide average
27 of all community colleges for fiscal year 1997-98 may also certify

1 to the county board of equalization of each county within the
2 community college area a tax levy up to an additional one-half
3 cent for each of fiscal years 2005-06 and 2006-07, on each one
4 hundred dollars on the taxable valuation of all property within
5 the community college area, uniform throughout such area. Such tax
6 levy shall not be so certified unless approved by an affirmative
7 vote of three-fourths of the board taken at a public meeting of the
8 board following notice and a hearing. The board shall give at least
9 seven days' notice of such public hearing and shall publish such
10 notice once in a newspaper of general circulation in the area to be
11 affected by the increase.

12 (3) The levy provided by subdivision (2)(a) of this
13 section may be exceeded by that amount necessary to retire the
14 general obligation bonds assumed by the community college area or
15 issued pursuant to section 85-1515 according to the terms of such
16 bonds or for any obligation pursuant to section 85-1535 entered
17 into prior to January 1, 1997.

18 (4) The tax shall be levied and assessed in the same
19 manner as other property taxes and entered on the books of the
20 county treasurer. The proceeds of the tax, as collected, shall be
21 remitted to the treasurer of the board not less frequently than
22 once each month.

23 Sec. 43. Section 85-1903, Revised Statutes Cumulative
24 Supplement, 2006, is amended to read:

25 85-1903 Award means a grant of money by the commission
26 to an eligible student for educational expenses. Awards shall not
27 exceed:

1 (1) For award years prior to the 2007-08 award year,
2 fifty percent of the tuition and mandatory fees for a full-time,
3 resident, undergraduate student for the last completed award year
4 at the University of Nebraska-Lincoln; and ~~+(a)~~ For students
5 who received an award from the Postsecondary Education Award
6 Program Act, the Scholarship Assistance Program Act, or the State
7 Scholarship Award Program Act for the 2002-03 award year, the
8 greater of the total awards received by the student pursuant
9 to such acts for the 2002-03 award year or one-half of the
10 tuition and mandatory fees for a full-time, resident, undergraduate
11 student for the last completed award year at the University of
12 Nebraska-Lincoln; ~~or~~(b) For students who did not receive an award
13 from the Postsecondary Education Award Program Act, the Scholarship
14 Assistance Program Act, or the State Scholarship Award Program Act
15 for the 2002-03 award year, one-half of the tuition and mandatory
16 fees for a full-time, resident, undergraduate student for the last
17 completed award year at the University of Nebraska-Lincoln; and

18 (2) For the 2007-08 2008-09 award year and each award
19 year thereafter, twenty-five percent of the tuition and mandatory
20 fees for a full-time, resident, undergraduate student for the last
21 completed award year at the University of Nebraska-Lincoln.

22 Sec. 44. Sections 32, 33, 34, 35, 36, 37, and 45 of this
23 act become operative on July 1, 2007. The other sections of this
24 act become operative on their effective date.

25 Sec. 45. Original sections 85-9,177, 85-9,178, 85-9,179,
26 85-9,180, 85-9,181, and 85-9,182, Revised Statutes Cumulative
27 Supplement, 2006, are repealed.

1 Sec. 46. Original sections 85-1418, 85-1511, 85-1536, and
2 85-1538, Reissue Revised Statutes of Nebraska, and sections 13-518,
3 77-3442, 85-1416, 85-1503, 85-1517, and 85-1903, Revised Statutes
4 Cumulative Supplement, 2006, are repealed.

5 Sec. 47. The following sections are outright repealed:
6 Section 85-1537, Reissue Revised Statutes of Nebraska, and section
7 85-1536.01, Revised Statutes Cumulative Supplement, 2006.

8 Sec. 48. Since an emergency exists, this act takes effect
9 when passed and approved according to law.

10 2. On page 1, strike beginning with "community" in
11 line 1 through line 5 and insert "education; to amend sections
12 85-1418, 85-1511, 85-1536, and 85-1538, Reissue Revised Statutes
13 of Nebraska, and sections 13-518, 77-3442, 85-9,177, 85-9,178,
14 85-9,179, 85-9,180, 85-9,181, 85-9,182, 85-1416, 85-1503, 85-1517,
15 and 85-1903, Revised Statutes Cumulative Supplement, 2006; to adopt
16 the Community College Foundation and Equalization Aid Act; to
17 change and eliminate provisions related to community colleges; to
18 rename and change provisions of the Minority Scholarship Program
19 Act; to harmonize provisions; to provide operative dates; to
20 repeal the original sections; to outright repeal section 85-1537,
21 Reissue Revised Statutes of Nebraska, and section 85-1536.01,
22 Revised Statutes Cumulative Supplement, 2006; and to declare an
23 emergency.".