

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB331

Hearing Date: Monday March 04, 2013
Committee On: Education
Introducer: Harms
One Liner: Change provisions relating to the Nebraska Opportunity Grant Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 8 Senators Avery, Cook, Davis, Haar, Kolowski, Scheer, Seiler, Sullivan
Nay:
Absent:
Present Not Voting:

Proponents: Senator John Harms Marshall Hill Jay Sears	Representing: Introducer Coordinating Commission for Postsecondary Education Nebraska State Education Association
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Opponents:	Representing:
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Neutral:	Representing:
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Summary of purpose and/or changes:

Legislative Bill 331 would modify the income qualifications for the Nebraska Opportunity Grant Act, which provides need based aid to undergraduate students in eligible postsecondary educational institutions.

Section 85-1903 would be amended by eliminating obsolete language.

Section 85-1907 would be amended by modifying the income requirements for eligibility under the Nebraska Opportunity Grant Act. The current income qualifications are either eligibility to receive a Federal Pell Grant or an expected family contribution of no more than the qualifying maximum. Pell grant eligibility and the expected family contribution are determined annually by the U.S. Department of Education based on the Free Application for Federal Student Aid submitted by a student. The qualifying maximum equals the prior award year qualifying maximum increased by 2.5%, which began with a qualifying maximum of \$6,000 in 2010-11. The new income requirement would be an expected family contribution equal to or less than 110% of the maximum expected family contribution to qualify for a Federal Pell Grant in that award year.

Explanation of amendments:

The Committee Amendments to LB 331 would add provisions amending the Postsecondary Institution Act from Legislative Bills 466 and 467 with slight revisions. The provisions from LB 466 would clarify that when a postsecondary institution receives an authorization to operate on a continuing basis that such authorization continues indefinitely. The provisions from LB 467 would allow interstate reciprocity agreements regarding postsecondary distance education and allow fees for such agreements and for applications to modify recurrent authorizations to operate. The Committee

Amendments would also add an emergency clause to the measure.

Section 85-2403 would be amended by clarifying the definition of "authorization to operate on a continuing basis" by stating that once such authorization has been issued it continues indefinitely unless otherwise suspended, revoked, or terminated. It would also be stated that such authorizations include those previously deemed to be effective as of May 5, 2011 for private and out-of-state public postsecondary institutions that had been continuously offering four-year undergraduate programs with a physical presence in the state for at least 20 academic years and for Nebraska public postsecondary institutions. The original provisions in LB 466 would have only caused "authorization to operate on a continuing basis" to end if the Coordinating Commission for Postsecondary Education suspended, revoked, or terminated the authorization. The Committee Amendment to LB 331 would recognize that the authorization may otherwise be suspended, revoked, or terminated.

Authorizations to operate on a continuing basis may be given by the Commission to private and out-of-state public postsecondary institutions that have been continuously offering four-year undergraduate programs with a physical presence in the state for at least 20 academic years and Nebraska public postsecondary institutions. Institutions meeting the criteria at the time were deemed to have an authorization to operate on a continuing basis as of May 5, 2011. A recurrent authorization to operate allows a postsecondary institution to operate in Nebraska if the institution has not yet qualified for an authorization to operate on a continuing basis.

Section 85-2405 would be amended to allow the Commission to enter into interstate reciprocity agreements regarding postsecondary distance education. The Commission would also administer such agreements, approve or disapprove participation by Nebraska postsecondary institutions consistent with the agreement if the institution chooses to participate, and establish fees for applications to participate or continue participation. Changes from the original provisions in LB 467 clarify that the approval or disapproval of participation in the agreements by the Commission is required to be consistent with the agreement and only applies to institutions that choose to participate. Language allowing acceptance or rejection of authorization granted by another state in the original LB 467 was not included in the Committee Amendments to LB 331. The fees language would also be clarified from the original LB 467 to allow fees for applications to continue participation in addition to the original application to participate.

Additional authorization would also be given to the Commission to establish fees for applications to modify a recurrent authorization to operate. The authority already exists to establish fees for applications for initial recurrent authorizations to operate and for renewals. A recurrent authorization to operate allows a postsecondary institution to operate in Nebraska if the institution has not yet qualified for an authorization to operate on a continuing basis.

Fees are currently limited to the cost of reviewing and evaluating the applications and that limitation would apply to the new authority to establish fees.

Kate Sullivan, Chairperson