

LEGISLATIVE BILL 902

Approved by the Governor April 18, 2022

Introduced by Aguilar, 35; Flood, 19; Groene, 42; Halloran, 33; Linehan, 39; Sanders, 45; Slama, 1; Wishart, 27; Briese, 41; Walz, 15.

A BILL FOR AN ACT relating to postsecondary education; to adopt the Nebraska Career Scholarship Act; to state legislative intent relating to appropriations; and to provide operative dates.

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

Section 1. Sections 1 to 6 of this act shall be known and may be cited as the Nebraska Career Scholarship Act.

Sec. 2. For purposes of the Nebraska Career Scholarship Act:

(1) Community college means a public postsecondary educational institution which is part of the community college system and includes all branches and campuses of such institution located within the State of Nebraska;

(2) First-time freshman means a student who enrolled in an eligible program of study as the student's first enrollment in any postsecondary institution after graduating from high school or receiving a diploma of high school equivalency;

(3) Nebraska Career Scholarship means a scholarship awarded under the act or a scholarship awarded as a Nebraska Career Scholarship pursuant to Laws 2021, LB380, or Laws 2020, LB1008;

(4) Nonscholarship student means a student who has never been awarded a Nebraska Career Scholarship for the applicable eligible program of study;

(5) Private college means an accredited private nonprofit institution of postsecondary education located within the State of Nebraska;

(6) Scholarship recipient means a student who has been awarded a Nebraska Career Scholarship; and

(7) Standard college admission test means the national assessment instrument that is also used as the standard college admission test selected by the State Board of Education and administered to students in the eleventh grade pursuant to subsection (9) of section 79-760.03.

Sec. 3. (1)(a) The Board of Trustees of the Nebraska State Colleges shall award a Nebraska Career Scholarship that does not exceed a maximum of fifteen thousand dollars per year to any eligible state college student who achieved a composite score on a standard college admission test equivalent to a score of at least eighteen out of a maximum score of thirty-six and who is enrolled in an eligible program of study.

(b) The Board of Trustees of the Nebraska State Colleges shall allocate funds appropriated to the board under the Nebraska Career Scholarship Act between the state college campuses, determine the eligibility of students enrolled in a state college, receive and process applications for awards to individual students, and disperse funds directly to scholarship recipients during the fiscal year. Eligibility criteria shall include being a first-time freshman or a transfer student and enrollment in an eligible program of study.

(c) For purposes of this section, an eligible program of study means:

(i) Through academic year 2023-24, a program of study at a state college in rangeland management, industrial technology, criminal justice, business administration, education, communication, or computer information systems; and

(ii) Beginning with academic year 2024-25, a program of study designated by the Department of Economic Development, in collaboration with the Board of Trustees of the Nebraska State Colleges, based on periodic reviews of workforce needs in the state.

(2) Each scholarship recipient shall register with the appropriate campus office to obtain a Nebraska-based internship, apprenticeship, clinical position, or employment in a major-related field prior to completion of the student's eligible program of study.

(3) A Nebraska Career Scholarship may be used by a scholarship recipient for tuition, fees, required tools and equipment, and room and board.

(4) Each scholarship awarded under this section shall be automatically renewed on an annual basis if the student remains enrolled in good standing in the eligible program of study for which such scholarship was awarded, except that no student shall receive a scholarship renewal after four years of participation in such eligible program of study.

(5) The Board of Trustees of the Nebraska State Colleges shall collect information on each state college scholarship recipient and shall report electronically to the Clerk of the Legislature and the Governor on or before December 1 of each year the following information for each eligible program of study at a state college in the current or prior academic year:

(a) The total number of students enrolled in the program in the immediately prior academic year and the total number of students enrolled in the program as of September 30 for the current academic year;

(b) The total number of scholarship recipients in the program as of September 30 for the current academic year and the total number of such scholarship recipients who are newly enrolled in the program for such academic year;

(c) The total number of students retained in the program from the immediately prior academic year to the current academic year and a comparison of the retention rates between scholarship recipients and nonscholarship students;

(d) The number of students participating in an internship, an apprenticeship, a clinical position, or employment in a major-related field during the immediately prior academic year and a comparison of participation rates for scholarship recipients and nonscholarship students;

(e) The total number of graduates for the immediately prior academic year, the number of scholarship recipient graduates for such academic year, and a comparison of the graduation rates for scholarship recipients and nonscholarship students; and

(f) The number of graduates from the immediately prior academic year who obtained employment in a major-related field in the state within four months after graduation and the average starting salary for such graduates.

Sec. 4. (1)(a) The Board of Regents of the University of Nebraska shall award a Nebraska Career Scholarship to any eligible university student who is enrolled in an eligible program of study in an amount not to exceed:

(i) Ten thousand dollars per year for any scholarship recipient who is a transfer student; or

(ii) Except as provided in subdivision (1)(a)(i) of this section:

(A) Twenty-five thousand dollars per year for any scholarship recipient who achieved a composite score on a standard college admission test equivalent to a score of at least twenty-eight out of a maximum score of thirty-six; or

(B) Ten thousand dollars per year for any scholarship recipient who achieved a composite score on a standard college admission test equivalent to a score of at least twenty and less than twenty-eight out of a maximum score of thirty-six.

(b) The Board of Regents shall allocate funds appropriated to the board under the Nebraska Career Scholarship Act between the university campuses, determine the eligibility of students enrolled in the university, receive and process applications for awards to individual students, and disperse funds directly to scholarship recipients during the fiscal year. Eligibility criteria shall include (i) being a first-time freshman who achieved a composite score on a standard college admission test equivalent to a score of at least twenty out of a maximum score of thirty-six or a transfer student and (ii) enrollment in an eligible program of study.

(c) For purposes of this section, an eligible program of study means:

(i) Through academic year 2023-24, a program of study offered by the University of Nebraska in mathematics, engineering, health care, and computer information systems; and

(ii) Beginning with academic year 2024-25, a program of study designated by the Department of Economic Development, in collaboration with the Board of Regents, based on periodic reviews of workforce needs in the state.

(2) Each scholarship recipient shall register with the appropriate campus office to obtain a Nebraska-based internship, apprenticeship, clinical position, or employment in a major-related field prior to completion of the student's eligible program of study.

(3) A Nebraska Career Scholarship may be used by a scholarship recipient for tuition, fees, required tools and equipment, and room and board.

(4) Each scholarship awarded under this section shall be automatically renewed on an annual basis if the student remains enrolled in good standing in the eligible program of study for which such scholarship was awarded, except that no student shall receive a scholarship renewal after four years of participation in such eligible program of study.

(5) The Board of Regents shall collect information on each university scholarship recipient and shall report electronically to the Clerk of the Legislature and the Governor on or before December 1 of each year the following information for each eligible program of study at the university in the current or prior academic year:

(a) The total number of students enrolled in the program in the immediately prior academic year and the total number of students enrolled in the program as of September 30 for the current academic year;

(b) The total number of scholarship recipients in the program as of September 30 for the current academic year and the total number of such scholarship recipients who are newly enrolled in the program for such academic year;

(c) The total number of students retained in the program from the immediately prior academic year to the current academic year and a comparison of the retention rates between scholarship recipients and nonscholarship students;

(d) The number of students participating in an internship, an apprenticeship, a clinical position, or employment in a major-related field during the immediately prior academic year and a comparison of participation rates for scholarship recipients and nonscholarship students;

(e) The total number of graduates for the immediately prior academic year, the number of scholarship recipient graduates for such academic year, and a comparison of the graduation rates for scholarship recipients and nonscholarship students; and

(f) The number of graduates from the immediately prior academic year who obtained employment in a major-related field in the state within four months after graduation and the average starting salary for such graduates.

Sec. 5. (1)(a) The Department of Economic Development, in collaboration

with the community colleges, shall award a Nebraska Career Scholarship that does not exceed a maximum of five thousand dollars per year to any eligible community college student who is enrolled in an eligible program of study in an identified shortage area or skilled trade that meets the workforce needs of the state.

(b) The Department of Economic Development shall identify shortage areas and skilled trades that meet workforce needs for purposes of this section and shall periodically review and revise the identification of such shortage areas and skilled trades.

(c) For purposes of this section, an eligible program of study means a program of study offered by a community college in a shortage area or skilled trade identified pursuant to subdivision (b) of this subsection.

(d) Each community college area, acting as an agent of the state, shall determine the eligibility of students enrolled in the community college, receive and process applications for awards to individual students, and disperse funds directly to scholarship recipients during the fiscal year. Eligibility criteria shall include being a first-time freshman or a transfer student and enrollment in an eligible program of study.

(2) Each scholarship recipient shall register with the appropriate campus office to obtain a Nebraska-based internship, apprenticeship, clinical position, or employment in a major-related field prior to completion of the student's eligible program of study.

(3) A Nebraska Career Scholarship may be used by the scholarship recipient for tuition, fees, required tools and equipment, and room and board.

(4) Each scholarship awarded under this section shall be automatically renewed on an annual basis if the student remains enrolled in good standing in the eligible program of study for which such scholarship was awarded, except that no student shall receive a scholarship renewal after three years of participation in such eligible program of study.

(5) Each community college area shall collect information on each scholarship recipient who has been awarded a Nebraska Career Scholarship by such community college area and shall share such information with the Department of Economic Development.

(6) The Department of Economic Development shall report electronically to the Clerk of the Legislature and the Governor on or before December 1 of each year the following information:

(a) For each eligible program of study at a community college in the current or prior academic year:

(i) The total number of students enrolled in the program in the immediately prior academic year and the total number of students enrolled in the program as of the most recent census date for the community college area;

(ii) The total number of scholarship recipients in the program as of the most recent census date for the community college area; and

(iii) The number of students participating in an internship, an apprenticeship, a clinical position, or employment in a major-related field during the immediately prior academic year and a comparison of participation rates for scholarship recipients and nonscholarship students;

(b) The total number of first-time freshman scholarship recipients retained in year two of the scholarship recipient's eligible program of study and a comparison of the retention rate for first-time freshman scholarship recipients to the overall retention rate for first-time freshman students;

(c) The total number of first-time freshman scholarship recipients who complete the program of study by earning the certificate, diploma, or degree that signifies completion and a comparison of the on-time completion rate for scholarship recipients to the overall on-time completion rate for all first-time freshman students;

(d) The number of scholarship recipients obtaining employment in the state within five fiscal quarters of completion of an eligible program of study using Department of Labor data; and

(e) The average salary of scholarship recipients, as determined by the Department of Labor, for the fifth fiscal quarter following completion.

(7) The Department of Economic Development shall allocate to community colleges the amount appropriated to the department to carry out this section. The department shall establish a separate budget subprogram for such allocation.

Sec. 6. (1)(a) The Department of Economic Development, in collaboration with private colleges that elect to participate, shall award a Nebraska Career Scholarship that does not exceed a maximum of ten thousand dollars per year to any private college student who achieved a composite score on a standard college admission test equivalent to a score of at least eighteen out of a maximum score of thirty-six and who is enrolled in an eligible program of study.

(b) Each participating private college, acting as an agent of the state, shall determine the eligibility of students enrolled in the private college, receive and process applications for awards to individual students, and disperse funds directly to scholarship recipients during the fiscal year. Eligibility criteria shall include being a first-time freshman or a transfer student and enrollment in an eligible program of study.

(c) For purposes of this section, an eligible program of study means:

(i) Through academic year 2023-24, a program of study at a private college in mathematics, health care, and computer information systems; and

(ii) Beginning with academic year 2024-25, a program of study designated by the Department of Economic Development based on periodic reviews of

workforce needs in the state.

(2) Each scholarship recipient shall register with the appropriate campus office to obtain a Nebraska-based internship, apprenticeship, clinical position, or employment in a major-related field prior to completion of the student's eligible program of study.

(3) A Nebraska Career Scholarship may be used by the scholarship recipient for tuition, fees, required tools and equipment, and room and board.

(4) Each scholarship awarded under this section shall be automatically renewed on an annual basis if the student remains enrolled in good standing in the eligible program of study for which such scholarship was awarded, except that no student shall receive a scholarship renewal after four years of participation in such eligible program of study.

(5) Each participating private college shall collect information on each scholarship recipient who has been awarded a Nebraska Career Scholarship by such private college and shall share such information with the Department of Economic Development.

(6) The Department of Economic Development shall report electronically to the Clerk of the Legislature and the Governor on or before December 1 of each year the following information for each eligible program of study at a private college in the current or prior academic year:

(a) The total number of students enrolled in the program in the immediately prior academic year and the total number of students enrolled in the program as of September 30 for the current academic year;

(b) The total number of scholarship recipients in the program as of September 30 for the current academic year and the total number of such scholarship recipients who are newly enrolled in the program for such academic year;

(c) The total number of students retained in the program and a comparison of the retention rates between scholarship recipients and nonscholarship students;

(d) The number of students participating in an internship, an apprenticeship, a clinical position, or employment in a major-related field during the immediately prior academic year and a comparison of participation rates for scholarship recipients and nonscholarship students;

(e) The total number of graduates for the immediately prior academic year, the number of scholarship recipient graduates for such academic year, and a comparison of the graduation rates for scholarship recipients and nonscholarship students; and

(f) The number of graduates from the immediately prior academic year who obtained employment in a major-related field in the state within four months after graduation and the average starting salary for such graduates.

(7) The Department of Economic Development shall allocate the amount appropriated to the department to carry out this section to private colleges that elect to participate under the Nebraska Career Scholarship Act. The department shall establish a separate budget subprogram for such allocations.

Sec. 7. It is the intent of the Legislature to appropriate fifty thousand dollars for fiscal year 2022-23 from the General Fund to the Board of Trustees of the Nebraska State Colleges for cooperative programs with Wayne State College.

Sec. 8. Sections 1, 2, 3, 4, 5, and 6 of this act become operative on July 1, 2023. The other sections of this act become operative on their effective date.