

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 551**

Introduced by Lippincott, 34.

Read first time January 22, 2025

Committee: Education

1 A BILL FOR AN ACT relating to postsecondary education; to amend sections  
2 85-106, 85-304, 85-1511, and 85-1530, Reissue Revised Statutes of  
3 Nebraska; to prohibit the practice of academic tenure at  
4 postsecondary educational institutions governed by the Board of  
5 Regents of the University of Nebraska, the Board of Trustees of the  
6 Nebraska State Colleges, or a community college board of governors  
7 for any community college area established by section 85-1504 as  
8 prescribed; to provide powers and duties to the Board of Regents of  
9 the University of Nebraska, the Board of Trustees of the Nebraska  
10 State Colleges, and any community college board of governors; to  
11 harmonize provisions; and to repeal the original sections.  
12 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 85-106, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           85-106 (1) The Board of Regents shall have the power:

4           (a) ~~(1)~~ To enact laws for the government of the university;

5           (b) ~~(2)~~ To elect a president, vice presidents, chancellors, vice  
6 chancellors, deans, associate deans, assistant deans, directors,  
7 associate directors, assistant directors, professors, associate  
8 professors, assistant professors, instructors, other members of the  
9 faculty staff, and employees generally of the university ~~and to provide~~  
10 ~~for academic tenure for professors, associate professors, and assistant~~  
11 ~~professors;~~

12           (c) ~~(3)~~ To prescribe the duties of such persons not inconsistent  
13 with section 85-1,105;

14           (d) ~~(4)~~ To fix their compensation;

15           (e) ~~(5)~~ To provide, in its discretion, retirement benefits for  
16 present and future employees of the university, subject to the following:

17           (i) ~~(a)~~ The cost of such retirement benefits shall be funded in  
18 accordance with sound actuarial principles with the necessary  
19 contributions for both past service and future service being treated in  
20 the university budget in the same way as any other operating expense;

21           (ii) ~~(b)~~ The university contribution under any such retirement plan  
22 shall be (A) ~~(i)~~ the rate established by the Board of Regents and not  
23 more than eight percent of each university employee's full-time salary or  
24 wage earnings for any calendar year before any agreement for reduction of  
25 salary or wage earnings and (B) ~~(ii)~~ pursuant to an agreement for  
26 reduction of salary or wage earnings, the amount of the reduction of  
27 salary or wage earnings;

28           (iii) ~~(c)~~ Each employee's contribution shall be the rate established  
29 by the Board of Regents and shall not be required to exceed the  
30 university's contribution under subdivision (1)(e)(ii)(A) ~~(5)(b)(i)~~ of  
31 this section, except that in lieu of making such contribution, each such

1 employee may enter into an agreement for reduction of salary or wages for  
2 the purchase by the Board of Regents of annuity contracts for such  
3 employee, under the provisions of the Internal Revenue Code, but the  
4 amount of the reduction of salary or wages allowable under this  
5 subdivision may not include credit for service prior to March 29, 1972;

6 (iv) ~~(d)~~ The retirement benefits of any employee for service prior  
7 to September 1, 1961, shall be those provided under the retirement plan  
8 then in force, which benefits shall not be abridged, except that such  
9 retirement benefits shall become fully vested in the event of an  
10 employee's termination of employment if such employee has at least ten  
11 years of service at the date of termination;

12 (v) ~~(e)~~ Continued contributions to the system until the date of  
13 retirement as provided in section 85-606; and

14 (vi) ~~(f)~~ The investment of retirement funds shall be pursuant to the  
15 Nebraska Capital Expansion Act and the Nebraska State Funds Investment  
16 Act, but no change in the type of investment of such funds shall be made  
17 without the prior approval of the Board of Regents;

18 (f) ~~(6)~~ To equalize and provide for uniform benefits for all present  
19 and future employees, including group life insurance, group hospital-  
20 medical insurance, group long-term disability income insurance, and  
21 retirement benefits;

22 (g) ~~(7)~~ To provide, through the University Extension Division, for  
23 the holding of classes at various localities throughout the state  
24 avoiding unnecessary duplication of courses offered by other educational  
25 institutions in such localities and consistent with the orders of the  
26 Coordinating Commission for Postsecondary Education issued pursuant to  
27 sections 85-1413 and 85-1414;

28 (h) ~~(8)~~ To remove the president, vice presidents, chancellors, vice  
29 chancellors, deans, associate deans, assistant deans, directors,  
30 associate directors, assistant directors, professors, associate  
31 professors, assistant professors, instructors, other members of the

1 faculty staff, and employees generally, when the interests of the  
2 university require it; and

3 (i) (9) To pay expenses for recruitment of academic, administrative,  
4 professional, and managerial personnel.

5 (2) The Board of Regents shall not establish or authorize an  
6 academic system of tenure for any employee of any institution governed by  
7 the board who is not tenured prior to the effective date of this act. The  
8 board shall adopt a written policy relating to:

9 (a) Employee agreements;

10 (b) Acceptable grounds for dismissal of faculty members, which shall  
11 include, but not be limited to, just cause, program discontinuance, and  
12 financial exigency;

13 (c) Annual performance evaluations of all faculty members;

14 (d) Minimum standards of good practice for faculty members;

15 (e) Standards for review and discipline of faculty members; and

16 (f) Procedures for dismissal for just cause, program discontinuance,  
17 and financial exigency.

18 (3) The Board of Regents shall institute a continuing program of  
19 preventive maintenance and a program of deferred maintenance consistent  
20 with the provisions of the Deferred Building Renewal Act and shall  
21 consult with the Nebraska Arts Council and acquire works of art for the  
22 original construction of any public building under its supervision  
23 consistent with sections 82-317 to 82-329 and 85-106.01 to 85-106.03.

24 **Sec. 2.** Section 85-304, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 85-304 (1) The Board of Trustees of the Nebraska State Colleges  
27 shall have the power:

28 (a) To appoint a president and such other persons as may be required  
29 for each state college;

30 (b) To fix their compensation and prescribe their duties;

31 (c) To remove all persons appointed, but the affirmative votes of

1 four members of the board shall be necessary to remove a president or an  
2 assistant during the time for which such persons were appointed;

3 (d) Through an extension division, to provide for holding of classes  
4 at various localities throughout the state, avoiding unnecessary  
5 duplication of courses offered by other educational institutions in such  
6 localities;

7 (e) To acquire real and personal property and dispose of the same  
8 whenever any of the state colleges will be benefited thereby, but no  
9 grounds upon which any buildings of any of the state colleges are located  
10 shall be disposed of without the consent of the Legislature;

11 (f) To pay expenses for recruitment of academic, administrative,  
12 professional, and managerial personnel; and

13 (g) To provide benefits for all present and future employees,  
14 including group life insurance, group hospital-medical insurance, and  
15 group long-term disability income insurance.

16 (2) The board shall have the duty:

17 (a) To institute a continuing program of preventive maintenance and  
18 a program of deferred maintenance consistent with the provisions of the  
19 Deferred Building Renewal Act; and

20 (b) To consult with the Nebraska Arts Council and acquire works of  
21 art for the original construction of any public building under its  
22 supervision consistent with sections 82-317 to 82-329 and 85-304 to  
23 85-304.03.

24 (3) The Board of Trustees of the Nebraska State Colleges shall not  
25 establish or authorize an academic system of tenure for any employee of  
26 any state college who is not tenured prior to the effective date of this  
27 act. The board shall adopt a written policy relating to:

28 (a) Employee agreements;

29 (b) Acceptable grounds for dismissal of faculty members, which shall  
30 include, but not be limited to, just cause, program discontinuance, and  
31 financial exigency;

- 1        (c) Annual performance evaluations of all faculty members;
- 2        (d) Minimum standards of good practice for faculty members;
- 3        (e) Standards for review and discipline of faculty members; and
- 4        (f) Procedures for dismissal for just cause, program discontinuance,
- 5        and financial exigency.

6        **Sec. 3.** Section 85-1511, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

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

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

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

22        (3) Employ, for a period to be fixed by the board, executive  
23 officers, members of the faculty, and such other administrative officers  
24 and employees as may be necessary or appropriate and fix their salaries  
25 and duties. A board shall not establish or authorize an academic system  
26 of tenure for any employee of a community college who is not tenured  
27 prior to the effective date of this act. The board shall adopt a written  
28 policy relating to: ÷

29        (a) Employee agreements;

30        (b) Acceptable grounds for dismissal of faculty members, which shall  
31 include, but not be limited to, just cause, program discontinuance, and

1 financial exigency;

2 (c) Annual performance evaluations of all faculty members;

3 (d) Minimum standards of good practice for faculty members;

4 (e) Standards for review and discipline of faculty members; and

5 (f) Procedures for dismissal for just cause, program discontinuance,  
6 and financial exigency;

7 (4) Subject to coordination by the Coordinating Commission for  
8 Postsecondary Education as prescribed in the Coordinating Commission for  
9 Postsecondary Education Act, construct, lease, purchase, purchase on  
10 contract, operate, equip, and maintain facilities;

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

13 (6)(a) Cause a comprehensive audit of the books, accounts, records,  
14 and affairs to be made annually covering the most recently completed  
15 fiscal year. The audit of each area shall include all sources of revenue  
16 used to finance operating expenditures and capital improvements and the  
17 county-certified property valuation for the community college for the  
18 fiscal year for which such audit is being performed. Such audit of the  
19 books, accounts, records, and affairs shall be completed and filed with  
20 the Auditor of Public Accounts, the commission, and the Department of  
21 Administrative Services on or before November 15 of each year; and

22 (b) Cause a comprehensive audit of the full-time equivalent student  
23 enrollment totals and reimbursable educational unit totals to be made  
24 annually covering the most recently completed fiscal year. The audit of  
25 each area shall include a report of full-time equivalent student  
26 enrollment totals and reimbursable educational unit totals verified by  
27 such audits for the three most recently completed fiscal years which  
28 shall be used for calculation of aid to the community college areas for  
29 fiscal year 2013-14 and each fiscal year thereafter pursuant to  
30 subdivisions (3)(b) and (c) of section 85-2234. The audit of the full-  
31 time equivalent student enrollment totals and reimbursable educational

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

4 (7) Establish fees and charges for the facilities authorized by  
5 sections 85-1501 to 85-1540. Such fees and charges shall be identified as  
6 facility fees at the time they are assessed. The revenue from such fees  
7 and charges, other than revenue pledged to retire bonds issued pursuant  
8 to sections 85-1515 and 85-1520 to 85-1527 and deposited in a separate  
9 bond sinking fund, shall be deposited in the capital improvement and bond  
10 sinking fund provided for in section 85-1515. Each board may enter into  
11 agreements with owners of facilities to be used for housing regarding the  
12 management, operation, and government of such facilities and may employ  
13 necessary employees to govern, manage, and operate such facilities;

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

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

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

29 (11) Adopt and promulgate such rules and regulations and perform all  
30 other acts as the board may deem necessary or appropriate to the  
31 administration of the community college area. Such rules and regulations



1 shall include, but not be limited to, rules and regulations relating to  
2 facilities, housing, scholarships, discipline, and pedestrian and  
3 vehicular traffic on property owned, operated, or maintained by the  
4 community college area;

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

10 (13) Acquire real property by eminent domain pursuant to sections  
11 76-701 to 76-724;

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

17 (15) Enter into agreements for services, facilities, or equipment  
18 and for the presentation of courses for students when such agreements are  
19 deemed to be in the best interests of the education of the students  
20 involved;

21 (16) Transfer tribally controlled community college state aid  
22 amounts to a tribally controlled community college located within its  
23 community college area;

24 (17) Invest, after proper consideration of the requirements for the  
25 availability of money, funds of the community college in securities the  
26 nature of which individuals of prudence, discretion, and intelligence  
27 acquire or retain in dealing with the property of another;

28 (18) Establish tuition rates for courses of instruction offered by  
29 each community college within its community college area. Separate  
30 tuition rates shall be established for students who are nonresidents of  
31 the State of Nebraska. Each board may also establish fees to support the

1 operating expenditures of the community college area if such fees are  
2 accounted for separately from the fees and charges established for  
3 facilities pursuant to subdivision (7) of this section and are identified  
4 as operating fees at the time they are assessed;

5 (19) Establish a fiscal year for the community college area which  
6 conforms to the fiscal year of the state;

7 (20) Enter into a memorandum of understanding with the State Board  
8 of Education to adopt a policy to share student data. At a minimum, the  
9 policy shall ensure that the exchange of information is conducted in  
10 conformance with the requirements of the federal Family Educational  
11 Rights and Privacy Act of 1974, as amended, 20 U.S.C. 1232g, and all  
12 federal regulations and applicable guidelines adopted in accordance with  
13 such act, as such act, regulations, and guidelines existed on January 1,  
14 2010; and

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

17 **Sec. 4.** Section 85-1530, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 85-1530 Each board shall adopt a reduction-in-force policy covering  
20 employees subject to such statutory provisions to carry out the intent of  
21 sections 85-1530 to 85-1533. No such policy shall allow the reduction of  
22 a permanent ~~or tenured~~ employee while a probationary employee is retained  
23 to render a service which such permanent employee is qualified by reason  
24 of certification and endorsement to perform or, if certification is not  
25 applicable, by reason of college credits in the teaching area. If  
26 employee evaluation is to be included as a criterion to be used for  
27 reduction in force, specific criteria, such as frequency of evaluation,  
28 evaluation forms, and number and length of classroom observations shall  
29 be included as part of the reduction-in-force policy.

30 **Sec. 5.** Original sections 85-106, 85-304, 85-1511, and 85-1530,  
31 Reissue Revised Statutes of Nebraska, are repealed.