ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021 COMMITTEE STATEMENT LB62

Hearing Date: Tuesday March 02, 2021

Committee On: Education **Introducer:** Kolterman

One Liner: Create the Access College Early Scholarship Cash Fund and change provisions relating to the Nebraska

Education Improvement Fund, Nebraska Opportunity Grant Fund, and Community College Gap

Assistance Program Fund

Roll Call Vote - Final Committee Action:

Indefinitely postponed

Vote Results:

Aye: 6 Senators Day, Linehan, McKinney, Murman, Sanders, Walz

Nay: 1 Senator Pansing Brooks

Absent:

Present Not Voting: 1 Senator Morfeld

Oral Testimony:

Proponents: Representing:

Treva Haugaard CINC

Opponents: Representing:

Neutral: Representing:

Submitted Written Testimony:

Proponents: Representing:

Greg Adams

NE Comm. College Assoc.

Heath Mello

University of Nebraska

Opponents: Representing:

Justin Brady Metropolitan Community College

Neutral: Representing:

Kraig J. Lofquist ESUCC

Summary of purpose and/or changes:

Legislative bill 62 addresses the current statutory sunset of June 30, 2021, of the lottery allocation to education.

Section 1. Revising Neb. Rev. Stat. 9-812, LB62 distributes the lottery allocation to education, for the six-year period following the current statutory sunset of June 30, 2021 (fiscal years 2021-22 through 2026-27), as follows:

- 2.5% to the Access College Early Scholarship Cash Fund

- 4.5% to the Community College Gap Assistance Program Fund
- 62% to the Nebraska Opportunity Grant Fund

The remainder (31%) shall be retained in the Nebraska Education Improvement Fund until such time as the Legislature otherwise directs.

Two provisions of current statute are being allowed to sunset:

A requirement that all education lottery money funnel through the Education Improvement Fund before being transferred to the designated fund. In some cases, this means a transfer between agencies.

A retainer of the lottery funds equal to 10% of the prior year's allocation designated to be held in the Education Improvement Fund as a cash reserve.

Section 2. LB62 gives the Coordinating Commission for Postsecondary Education the authority to administer the Access College Early Scholarship Cash Fund and the Nebraska Opportunity Grant Fund.

Section 3. Extends the sunsets of both the lottery allocation to the Nebraska Opportunity Grant and the Nebraska Opportunity Grant Fund until June 30, 2027.

Section 4. LB62 removes the annual award restriction from the Community College Gap Assistance Program fund during any fiscal year of \$1.5 million pursuant to Neb. Rev. Stat. 85-2009, and changes the amount of money any community college may use from the fund to defray the costs of direct staff support services to 10% of any money received from the fund.

Section 5. LB62 creates the Access College Early (ACE) Scholarship Cash Fund to be administered by CCPE and incorporates it into the ACE Scholarship Program.

Section 6. Repeals original sections of statute that are amended as identified above.

Section 7. This measure contains an emergency clause.

Lynne Walz,	Chairperson