

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 946

Introduced by Adams, 24.

Read first time January 11, 2012

Committee:

A BILL

1 FOR AN ACT relating to universities and colleges; to amend sections
2 48-621, 85-1501.01, 85-1520, 85-1521, 85-1539, and
3 85-1540, Reissue Revised Statutes of Nebraska, section
4 85-1511, Revised Statutes Cumulative Supplement, 2010,
5 and sections 13-518, 77-3442, 85-1412, 85-1418, 85-1503,
6 85-1517, 85-1535, and 90-517, Revised Statutes
7 Supplement, 2011; to adopt the Community College Aid Act;
8 to rename and eliminate funds; to rename a committee; to
9 change provisions relating to revenue bonds; to eliminate
10 an act; to harmonize provisions; to repeal the original
11 sections; to outright repeal sections 85-2201, 85-2202,
12 85-2203, 85-2204, 85-2205, 85-2206, 85-2207, 85-2208,
13 85-2209, 85-2210, 85-2211, 85-2212, 85-2213, 85-2215,
14 85-2216, 85-2217, 85-2218, 85-2220, 85-2221, 85-2222,
15 85-2223, 85-2224, 85-2225, 85-2227, 85-2228, and 85-2229,
16 Reissue Revised Statutes of Nebraska, and section
17 85-2230, Revised Statutes Cumulative Supplement, 2010;

1 and to declare an emergency.

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

1 Section 1. Sections 1 to 8 of this act shall be known and
2 may be cited as the Community College Aid Act.

3 Sec. 2. For purposes of the Community College Aid Act,
4 the definitions in section 85-1503 apply.

5 Sec. 3. (1)(a) The Legislature recognizes that education,
6 as an investment in human resources, is fundamental to the quality of
7 life and the economic prosperity of Nebraskans and that aid to the
8 community colleges furthers these goals.

9 (b) It is the intent of the Legislature that such
10 appropriations reflect the commitment of the Legislature to join with
11 local governing bodies in a strong and continuing partnership to
12 further advance the quality, responsiveness, access, and equity of
13 Nebraska's community colleges and to foster high standards of
14 performance and service so that every citizen, community, and
15 business will have the opportunity to receive quality educational
16 programs and services regardless of the size, wealth, or geographic
17 location of the community college area or tribally controlled
18 community college by which that citizen, community, or business is
19 served.

20 (c) In order to promote quality postsecondary education
21 and to avoid excessive and disproportionate taxation upon the taxable
22 property of each community college area, the Legislature may
23 appropriate each biennium from such funds as may be available an
24 amount for aid and assistance to the community colleges. Such funds
25 so appropriated by the Legislature shall be allocated, adjusted, and

1 distributed to the community college boards of governors as provided
2 in the Community College Aid Act.

3 (2) The Coordinating Commission for Postsecondary
4 Education shall certify aid amounts pursuant to the act and report
5 such amounts to the Department of Administrative Services. The
6 commission shall certify such aid amounts prior to September 1 of the
7 fiscal year for which aid is being certified. The department shall
8 distribute the total of such appropriated and allocated funds to the
9 boards in ten as nearly as possible equal monthly payments between
10 the fifth and twentieth day of each month beginning in September of
11 each year.

12 (3) The department shall reduce the amount of the
13 distribution to a board by the amount of funds used by the community
14 college area to provide a program or capital construction project as
15 defined in section 85-1402 which has not been approved or has been
16 disapproved by the Coordinating Commission for Postsecondary
17 Education pursuant to the Coordinating Commission for Postsecondary
18 Education Act.

19 Sec. 4. Aid appropriated pursuant to the Community
20 College Aid Act for fiscal year 2013-14 and each fiscal year
21 thereafter shall be allocated among community college areas and
22 tribally controlled community colleges as follows:

23 (1) The initial \$87,870,147 appropriated pursuant to the
24 act shall be allocated to community college areas based on the
25 proportionate share of aid received by each community college area

1 for fiscal year 2012-13. If the amount appropriated for such fiscal
2 year exceeds \$87,870,147, the excess amount shall be allocated as
3 provided in subdivisions (2) and (3) of this section. If the amount
4 appropriated for such fiscal year is less than or equal to
5 \$87,870,147, the amount appropriated shall be allocated to community
6 college areas based on the proportionate share of aid received by
7 each community college area for fiscal year 2012-13;

8 (2) Of any amount remaining after the allocation of aid
9 pursuant to subdivision (1) of this section, the next amount, up to
10 but not to exceed \$500,000, shall be transferred to the Nebraska
11 Community College Student Performance and Occupational Education
12 Grant Fund provided for in section 85-1540; and

13 (3) Any amount remaining after the allocations provided
14 for in subdivisions (1) and (2) of this section shall be allocated
15 among the community college areas on the following basis:

16 (a) Twenty-five percent of such amount shall be divided
17 equally based on the number of community college areas designated
18 pursuant to section 85-1504;

19 (b) Forty-five percent of such amount shall be allocated
20 based on each community college area's proportionate share of three-
21 year average full-time equivalent student enrollment. A community
22 college area's proportionate share of three-year average full-time
23 equivalent student enrollment shall equal the sum of a community
24 college area's full-time equivalent student enrollment total for the
25 three fiscal years immediately preceding the fiscal year for which

1 aid is being calculated divided by three, with such quotient divided
2 by the quotient resulting from the sum of the full-time equivalent
3 student enrollment total of all community college areas for the three
4 fiscal years immediately preceding the fiscal year for which aid is
5 being calculated divided by three; and

6 (c) Thirty percent of such amount shall be divided based
7 on each community college area's proportionate share of three-year
8 average reimbursable educational units. A community college area's
9 proportionate share of three-year average reimbursable educational
10 units shall equal the sum of a community college area's reimbursable
11 educational unit total for the three fiscal years immediately
12 preceding the fiscal year for which aid is being calculated divided
13 by three, with such quotient divided by the quotient resulting from
14 the sum of the reimbursable educational unit total provided by all
15 community college areas for the three fiscal years immediately
16 preceding the fiscal year for which aid is being calculated divided
17 by three.

18 Sec. 5. The Director of Administrative Services shall,
19 upon notification by the State Treasurer that sufficient funds are
20 available for payment, draw warrants on vouchers presented by the
21 budget division of the Department of Administrative Services against
22 funds appropriated and deliver such warrants to the various community
23 college areas.

24 Sec. 6. The Community College Aid Fund is created. The
25 fund shall be used to provide state aid to community college areas

1 pursuant to the Community College Aid Act. Any money in the fund
2 available for investment shall be invested by the state investment
3 officer pursuant to the Nebraska Capital Expansion Act and the
4 Nebraska State Funds Investment Act.

5 Sec. 7. Each community college area shall annually report
6 such data as necessary to carry out the Community College Aid Act to
7 the Coordinating Commission for Postsecondary Education.

8 Sec. 8. The Coordinating Commission for Postsecondary
9 Education may adopt and promulgate rules and regulations to carry out
10 the Community College Aid Act.

11 Sec. 9. Section 13-518, Revised Statutes Supplement,
12 2011, is amended to read:

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

14 (1) Allowable growth means (a) for governmental units
15 other than community colleges, the percentage increase in taxable
16 valuation in excess of the base limitation established under section
17 77-3446, if any, due to improvements to real property as a result of
18 new construction, additions to existing buildings, any improvements
19 to real property which increase the value of such property, and any
20 increase in valuation due to annexation and any personal property
21 valuation over the prior year and (b) for community colleges, ~~(i) for~~
22 ~~fiscal years prior to fiscal year 2003-04, for fiscal years after~~
23 ~~fiscal year 2004-05 until fiscal year 2007-08, and for fiscal year~~
24 ~~2010-11 and each fiscal year thereafter,~~ the percentage increase in
25 excess of the base limitation, if any, in full-time equivalent

1 students from the second year to the first year preceding the year
2 for which the budget is being determined; ~~, (ii) for fiscal year~~
3 ~~2003-04 and fiscal year 2004-05, the percentage increase in full-time~~
4 ~~equivalent students from the second year to the first year preceding~~
5 ~~the year for which the budget is being determined, and (iii) for~~
6 ~~fiscal year 2007-08 through fiscal year 2009-10, community college~~
7 ~~areas may exceed the base limitation to equal base revenue need~~
8 ~~calculated pursuant to section 85-2223;~~

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 request
16 levy authority under section 77-3443 except sanitary and improvement
17 districts which have been in existence for five years or less and
18 school districts;

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

1 (6) Restricted funds means (a) property tax, excluding
2 any amounts refunded to taxpayers, (b) payments in lieu of property
3 taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e)
4 state aid, (f) transfers of surpluses from any user fee, permit fee,
5 or regulatory fee if the fee surplus is transferred to fund a service
6 or function not directly related to the fee and the costs of the
7 activity funded from the fee, (g) any funds excluded from restricted
8 funds for the prior year because they were budgeted for capital
9 improvements but which were not spent and are not expected to be
10 spent for capital improvements, (h) the tax provided in sections
11 77-27,223 to 77-27,227 beginning in the second fiscal year in which
12 the county will receive a full year of receipts, and (i) any excess
13 tax collections returned to the county under section 77-1776. Funds
14 received pursuant to the nameplate capacity tax levied under section
15 77-6203 for the first five years after a wind energy generation
16 facility has been commissioned are nonrestricted funds; and

17 (7) State aid means:

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

20 (b) For municipalities, state aid to municipalities paid
21 pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3,190, and
22 77-27,139.04 and insurance premium tax paid to municipalities;

23 (c) For counties, state aid to counties paid pursuant to
24 sections 39-2501 to 39-2520 and 60-3,184 to 60-3,190, insurance
25 premium tax paid to counties, and reimbursements to counties from

1 funds appropriated pursuant to section 29-3933;

2 (d) For community colleges, (i) ~~for fiscal years prior to~~
3 ~~fiscal year 2010-11, state aid to community colleges paid pursuant to~~
4 ~~the Community College Foundation and Equalization Aid Act and (ii)~~
5 for fiscal years 2010-11, 2011-12, and 2012-13, state aid to
6 community colleges paid pursuant to section 90-517 and (ii) for
7 fiscal year 2013-14 and each fiscal year thereafter, state aid to
8 community colleges paid pursuant to the Community College Aid Act;

9 (e) For educational service units, state aid appropriated
10 under sections 79-1241.01 to 79-1241.03; and

11 (f) For local public health departments as defined in
12 section 71-1626, state aid as distributed under section 71-1628.08.

13 Sec. 10. Section 48-621, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 48-621 (1) The administrative fund shall consist of the
16 Employment Security Administration Fund and the Employment Security
17 Special Contingent Fund. Each fund shall be maintained as a separate
18 and distinct account in all respects, as follows:

19 (a) There is hereby created in the state treasury a
20 special fund to be known as the Employment Security Administration
21 Fund. All money credited to this fund is hereby appropriated and made
22 available to the Commissioner of Labor. All money in this fund shall
23 be expended solely for the purposes and in the amounts found
24 necessary as defined by the specific federal programs, state
25 statutes, and contract obligations for the proper and efficient

1 administration of all programs of the Department of Labor. The fund
2 shall consist of all money appropriated by this state and all money
3 received from the United States of America or any agency thereof,
4 including the Department of Labor and the Railroad Retirement Board,
5 or from any other source for such purpose. Money received from any
6 agency of the United States or any other state as compensation for
7 services or facilities supplied to such agency, any amounts received
8 pursuant to any surety bond or insurance policy for losses sustained
9 by the Employment Security Administration Fund or by reason of damage
10 to equipment or supplies purchased from money in such fund, and any
11 proceeds realized from the sale or disposition of any equipment or
12 supplies which may no longer be necessary for the proper
13 administration of such programs shall also be credited to this fund.
14 All money in this fund shall be deposited, administered, and
15 disbursed in the same manner and under the same conditions and
16 requirements as is provided by law for other special funds in the
17 state treasury. Any balances in this fund, except balances of money
18 therein appropriated from the General Fund of this state, shall not
19 lapse at any time but shall be continuously available to the
20 commissioner for expenditure consistent with the Employment Security
21 Law. Any money in the Employment Security Administration Fund
22 available for investment shall be invested by the state investment
23 officer pursuant to the Nebraska Capital Expansion Act and the
24 Nebraska State Funds Investment Act; and

25 (b) There is hereby created in the state treasury a

1 special fund to be known as the Employment Security Special
2 Contingent Fund. Any money in the Employment Security Special
3 Contingent Fund available for investment shall be invested by the
4 state investment officer pursuant to the Nebraska Capital Expansion
5 Act and the Nebraska State Funds Investment Act. All money collected
6 under section 48-655 as interest on delinquent contributions, less
7 refunds, shall be credited to this fund from the clearing account of
8 the Unemployment Compensation Fund at the end of each calendar
9 quarter. Such money shall not be expended or available for
10 expenditure in any manner which would permit its substitution for or
11 a corresponding reduction in federal funds which would in the absence
12 of such money be available to finance expenditures for the
13 administration of the unemployment insurance law, but nothing in this
14 section shall prevent the money from being used as a revolving fund
15 to cover expenditures necessary and proper under the law for which
16 federal funds have been duly requested but not yet received, subject
17 to the charging of such expenditures against such federal funds when
18 received. The money in this fund may be used by the Commissioner of
19 Labor only as follows:

20 (i) To replace within a reasonable time any money
21 received by this state pursuant to section 302 of the federal Social
22 Security Act, as amended, and required to be paid under section
23 48-622;

24 (ii) To meet special extraordinary and contingent
25 expenses which are deemed essential for good administration but which

1 are not provided in grants from the Secretary of Labor of the United
2 States and, for this purpose, no expenditures shall be made from this
3 fund except on written authorization by the Governor at the request
4 of the Commissioner of Labor;

5 (iii) To be transferred to the Nebraska Community College
6 ~~Aid Cash Student Performance and Occupational Education Grant Fund~~;
7 and

8 (iv) To be transferred to the Job Training Cash Fund.

9 (2)(a) Money credited to the account of this state in the
10 Unemployment Trust Fund by the United States Secretary of the
11 Treasury pursuant to section 903 of the Social Security Act may not
12 be requisitioned from this state's account or used except for the
13 payment of benefits and for the payment of expenses incurred for the
14 administration of the Employment Security Law and public employment
15 offices. Such money may be requisitioned pursuant to section 48-619
16 for the payment of benefits. Such money may also be requisitioned and
17 used for the payment of expenses incurred for the administration of
18 the Employment Security Law and public employment offices but only
19 pursuant to a specific appropriation by the Legislature and only if
20 the expenses are incurred and the money is requisitioned after the
21 date of enactment of an appropriation law which specifies the
22 purposes for which such money is appropriated and the amounts
23 appropriated therefor. Such appropriation is subject to the following
24 conditions:

25 (i) The period within which such money may be obligated

1 is limited to a period ending not more than two years after the
2 effective date of the appropriation law; and

3 (ii) The amount which may be obligated is limited to an
4 amount which does not exceed the amount by which the aggregate of the
5 amounts transferred to the account of this state pursuant to section
6 903 of the Social Security Act exceeds the aggregate of the amounts
7 used by this state pursuant to the Employment Security Law and
8 charged against the amounts transferred to the account of this state.

9 (b) For purposes of subdivision (2)(a)(ii) of this
10 section, the amounts obligated under an appropriation for the
11 administrative purposes described in such subdivision shall be
12 charged against transferred amounts at the exact time the obligation
13 is entered into.

14 (c) The appropriation, obligation, and expenditure or
15 other disposition of money appropriated under this subsection shall
16 be accounted for in accordance with standards established by the
17 United States Secretary of Labor.

18 (d) Money appropriated as provided in this subsection for
19 the payment of expenses of administration shall be requisitioned as
20 needed for the payment of obligations incurred under such
21 appropriation and, upon requisition, shall be credited to the
22 Employment Security Administration Fund from which such payments
23 shall be made. Money so credited shall, until expended, remain a part
24 of the Employment Security Administration Fund and, if it will not be
25 immediately expended, shall be returned promptly to the account of

1 this state in the Unemployment Trust Fund.

2 (e) Notwithstanding subdivision (2)(a) of this section,
3 money credited with respect to federal fiscal years 1999, 2000, and
4 2001 shall be used solely for the administration of the unemployment
5 compensation program and are not subject to appropriation by the
6 Legislature.

7 (3) There is hereby appropriated out of the funds made
8 available to this state in federal fiscal year 2002 under section
9 903(d) of the federal Social Security Act, as amended, the sum of
10 \$6,800,484, or so much thereof as may be necessary, to be used, under
11 the direction of the Department of Labor, for the administration of
12 the Employment Security Law and public employment offices. The
13 expenditure or other disposition of money appropriated under this
14 subsection shall be accounted for in accordance with standards
15 established by the United States Secretary of Labor. Reed Act
16 distributions appropriated pursuant to this subsection may be
17 amortized with federal grant funds provided pursuant to Title III of
18 the federal Social Security Act and the federal Wagner-Peyser Act for
19 the purpose of administering the state unemployment compensation and
20 employment service programs to the extent allowed under such acts and
21 the regulations adopted pursuant thereto. Except as specifically
22 provided in this subsection, all provisions of subsection (2) of this
23 section, except subdivision (2)(a)(i) of this section, shall apply to
24 this appropriation. The commissioner shall submit an annual report to
25 the Governor, the Speaker of the Legislature, and the chairpersons of

1 the Appropriations Committee and the Business and Labor Committee of
2 the Legislature describing expenditures made pursuant to this
3 subsection.

4 Sec. 11. Section 77-3442, Revised Statutes Supplement,
5 2011, is amended to read:

6 77-3442 (1) Property tax levies for the support of local
7 governments for fiscal years beginning on or after July 1, 1998,
8 shall be limited to the amounts set forth in this section except as
9 provided in section 77-3444.

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

16 (b) For each fiscal year, learning communities may levy a
17 maximum levy for the general fund budgets of member school districts
18 of ninety-five cents per one hundred dollars of taxable valuation of
19 property subject to the levy. The proceeds from the levy pursuant to
20 this subdivision shall be distributed pursuant to section 79-1073.

21 (c) Except as provided in subdivision (2)(e) of this
22 section, for each fiscal year, school districts that are members of
23 learning communities may levy for purposes of such districts' general
24 fund budget and special building funds a maximum combined levy of the
25 difference of one dollar and five cents on each one hundred dollars

1 of taxable property subject to the levy minus the learning community
2 levies pursuant to subdivisions (2)(b) and (2)(g) of this section for
3 such learning community.

4 (d) Excluded from the limitations in subdivisions (2)(a)
5 and (2)(c) of this section are amounts levied to pay for sums agreed
6 to be paid by a school district to certificated employees in exchange
7 for a voluntary termination of employment and amounts levied to pay
8 for special building funds and sinking funds established for projects
9 commenced prior to April 1, 1996, for construction, expansion, or
10 alteration of school district buildings. For purposes of this
11 subsection, commenced means any action taken by the school board on
12 the record which commits the board to expend district funds in
13 planning, constructing, or carrying out the project.

14 (e) Federal aid school districts may exceed the maximum
15 levy prescribed by subdivision (2)(a) or (2)(c) of this section only
16 to the extent necessary to qualify to receive federal aid pursuant to
17 Title VIII of Public Law 103-382, as such title existed on September
18 1, 2001. For purposes of this subdivision, federal aid school
19 district means any school district which receives ten percent or more
20 of the revenue for its general fund budget from federal government
21 sources pursuant to Title VIII of Public Law 103-382, as such title
22 existed on September 1, 2001.

23 (f) For school fiscal year 2002-03 through school fiscal
24 year 2007-08, school districts and multiple-district school systems
25 may, upon a three-fourths majority vote of the school board of the

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

16 (g) For each fiscal year, learning communities may levy a
17 maximum levy of two cents on each one hundred dollars of taxable
18 property subject to the levy for special building funds for member
19 school districts. The proceeds from the levy pursuant to this
20 subdivision shall be distributed pursuant to section 79-1073.01.

21 (h) For each fiscal year, learning communities may levy a
22 maximum levy of two cents on each one hundred dollars of taxable
23 property subject to the levy for elementary learning center facility
24 leases, for remodeling of leased elementary learning center
25 facilities, and for up to fifty percent of the estimated cost for

1 focus school or program capital projects approved by the learning
2 community coordinating council pursuant to section 79-2111.

3 (i) For each fiscal year, learning communities may levy a
4 maximum levy of one cent on each one hundred dollars of taxable
5 property subject to the levy for elementary learning center
6 employees, for contracts with other entities or individuals who are
7 not employees of the learning community for elementary learning
8 center programs and services, and for pilot projects, except that no
9 more than ten percent of such levy may be used for elementary
10 learning center employees.

11 (3)(a) For fiscal years ~~prior to fiscal year 2010-11,~~
12 ~~community colleges may levy a maximum levy calculated pursuant to the~~
13 ~~Community College Foundation and Equalization Aid Act on each one~~
14 ~~hundred dollars of taxable property subject to the levy. (b) For~~
15 ~~fiscal year 2010-11, in lieu of the calculation of a maximum levy for~~
16 ~~operating expenditures pursuant to the Community College Foundation~~
17 ~~and Equalization Aid Act, and for fiscal year 2011-12 and each fiscal~~
18 ~~year thereafter, community colleges 2011-12 and 2012-13, community~~
19 college areas may levy a maximum of ten and one-quarter cents per one
20 hundred dollars of taxable valuation of property subject to the levy
21 for operating expenditures and may also levy the additional levies
22 provided in ~~subsections (2) and (3) subdivisions (1)(b) and (c) of~~
23 section 85-1517.

24 (b) For fiscal year 2013-14 and each fiscal year
25 thereafter, community college areas may levy a maximum levy of eleven

1 and one-quarter cents per one hundred dollars of taxable valuation of
2 property subject to the levy, inclusive of levies for both
3 operational and capital improvement purposes, subject to the
4 provisions of subsection (2) of section 85-1517. A community college
5 area may exceed such maximum aggregate levy by the amount necessary
6 to retire general obligation bonds assumed by the community college
7 area or issued pursuant to section 85-1515 according to the terms of
8 such bonds or for any obligation pursuant to section 85-1535 entered
9 into prior to January 1, 1997.

10 (4)(a) Natural resources districts may levy a maximum
11 levy of four and one-half cents per one hundred dollars of taxable
12 valuation of property subject to the levy.

13 (b) Natural resources districts shall also have the power
14 and authority to levy a tax equal to the dollar amount by which their
15 restricted funds budgeted to administer and implement ground water
16 management activities and integrated management activities under the
17 Nebraska Ground Water Management and Protection Act exceed their
18 restricted funds budgeted to administer and implement ground water
19 management activities and integrated management activities for
20 FY2003-04, not to exceed one cent on each one hundred dollars of
21 taxable valuation annually on all of the taxable property within the
22 district.

23 (c) In addition, natural resources districts located in a
24 river basin, subbasin, or reach that has been determined to be fully
25 appropriated pursuant to section 46-714 or designated as

1 overappropriated pursuant to section 46-713 by the Department of
2 Natural Resources shall also have the power and authority to levy a
3 tax equal to the dollar amount by which their restricted funds
4 budgeted to administer and implement ground water management
5 activities and integrated management activities under the Nebraska
6 Ground Water Management and Protection Act exceed their restricted
7 funds budgeted to administer and implement ground water management
8 activities and integrated management activities for FY2005-06, not to
9 exceed three cents on each one hundred dollars of taxable valuation
10 on all of the taxable property within the district for fiscal year
11 2006-07 and each fiscal year thereafter through fiscal year 2017-18.

12 (5) Any educational service unit authorized to levy a
13 property tax pursuant to section 79-1225 may levy a maximum levy of
14 one and one-half cents per one hundred dollars of taxable valuation
15 of property subject to the levy.

16 (6)(a) Incorporated cities and villages which are not
17 within the boundaries of a municipal county may levy a maximum levy
18 of forty-five cents per one hundred dollars of taxable valuation of
19 property subject to the levy plus an additional five cents per one
20 hundred dollars of taxable valuation to provide financing for the
21 municipality's share of revenue required under an agreement or
22 agreements executed pursuant to the Interlocal Cooperation Act or the
23 Joint Public Agency Act. The maximum levy shall include amounts
24 levied to pay for sums to support a library pursuant to section
25 51-201, museum pursuant to section 51-501, visiting community nurse,

1 home health nurse, or home health agency pursuant to section 71-1637,
2 or statue, memorial, or monument pursuant to section 80-202.

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

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

21 (8) Counties may levy or authorize a maximum levy of
22 fifty cents per one hundred dollars of taxable valuation of property
23 subject to the levy, except that five cents per one hundred dollars
24 of taxable valuation of property subject to the levy may only be
25 levied to provide financing for the county's share of revenue

1 required under an agreement or agreements executed pursuant to the
2 Interlocal Cooperation Act or the Joint Public Agency Act. The
3 maximum levy shall include amounts levied to pay for sums to support
4 a library pursuant to section 51-201 or museum pursuant to section
5 51-501. The county may allocate up to fifteen cents of its authority
6 to other political subdivisions subject to allocation of property tax
7 authority under subsection (1) of section 77-3443 and not
8 specifically covered in this section to levy taxes as authorized by
9 law which do not collectively exceed fifteen cents per one hundred
10 dollars of taxable valuation on any parcel or item of taxable
11 property. The county may allocate to one or more other political
12 subdivisions subject to allocation of property tax authority by the
13 county under subsection (1) of section 77-3443 some or all of the
14 county's five cents per one hundred dollars of valuation authorized
15 for support of an agreement or agreements to be levied by the
16 political subdivision for the purpose of supporting that political
17 subdivision's share of revenue required under an agreement or
18 agreements executed pursuant to the Interlocal Cooperation Act or the
19 Joint Public Agency Act. If an allocation by a county would cause
20 another county to exceed its levy authority under this section, the
21 second county may exceed the levy authority in order to levy the
22 amount allocated. Property tax levies for costs of reassumption of
23 the assessment function pursuant to section 77-1340 or 77-1340.04 are
24 not included in the levy limits established in this subsection for
25 fiscal years 2010-11 through 2013-14.

1 (9) Municipal counties may levy or authorize a maximum
2 levy of one dollar per one hundred dollars of taxable valuation of
3 property subject to the levy. The municipal county may allocate levy
4 authority to any political subdivision or entity subject to
5 allocation under section 77-3443.

6 (10) Property tax levies (a) for judgments, except
7 judgments or orders from the Commission of Industrial Relations,
8 obtained against a political subdivision which require or obligate a
9 political subdivision to pay such judgment, to the extent such
10 judgment is not paid by liability insurance coverage of a political
11 subdivision, (b) for preexisting lease-purchase contracts approved
12 prior to July 1, 1998, (c) for bonds as defined in section 10-134
13 approved according to law and secured by a levy on property except as
14 provided in section 44-4317 for bonded indebtedness issued by
15 educational service units and school districts, and (d) for payments
16 by a public airport to retire interest-free loans from the Department
17 of Aeronautics in lieu of bonded indebtedness at a lower cost to the
18 public airport are not included in the levy limits established by
19 this section.

20 (11) The limitations on tax levies provided in this
21 section are to include all other general or special levies provided
22 by law. Notwithstanding other provisions of law, the only exceptions
23 to the limits in this section are those provided by or authorized by
24 sections 77-3442 to 77-3444.

25 (12) Tax levies in excess of the limitations in this

1 section shall be considered unauthorized levies under section 77-1606
2 unless approved under section 77-3444.

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

6 (14) For school districts that file a binding resolution
7 on or before May 9, 2008, with the county assessors, county clerks,
8 and county treasurers for all counties in which the school district
9 has territory pursuant to subsection (7) of section 79-458, if the
10 combined levies, except levies for bonded indebtedness approved by
11 the voters of the school district and levies for the refinancing of
12 such bonded indebtedness, are in excess of the greater of (a) one
13 dollar and twenty cents per one hundred dollars of taxable valuation
14 of property subject to the levy or (b) the maximum levy authorized by
15 a vote pursuant to section 77-3444, all school district levies,
16 except levies for bonded indebtedness approved by the voters of the
17 school district and levies for the refinancing of such bonded
18 indebtedness, shall be considered unauthorized levies under section
19 77-1606.

20 Sec. 12. Section 85-1412, Revised Statutes Supplement,
21 2011, is amended to read:

22 85-1412 The commission shall have the following
23 additional powers and duties:

24 (1) Conduct surveys and studies as may be necessary to
25 undertake the coordination function of the commission pursuant to

1 section 85-1403 and request information from governing boards and
2 appropriate administrators of public institutions and other
3 governmental agencies for research projects. All public institutions
4 and governmental agencies receiving state funds shall comply with
5 reasonable requests for information under this subdivision. Public
6 institutions may comply with such requests pursuant to section
7 85-1417;

8 (2) Recommend to the Legislature and the Governor
9 legislation it deems necessary or appropriate to improve
10 postsecondary education in Nebraska and any other legislation it
11 deems appropriate to change the role and mission provisions in
12 sections 85-917 to 85-966.01;

13 (3) Establish any advisory committees as may be necessary
14 to undertake the coordination function of the commission pursuant to
15 section 85-1403 or to solicit input from affected parties such as
16 students, faculty, governing boards, administrators of the public
17 institutions, administrators of the private nonprofit institutions of
18 postsecondary education and proprietary institutions in the state,
19 and community and business leaders regarding the coordination
20 function of the commission;

21 (4) Participate in or designate an employee or employees
22 to participate in any committee which may be created to prepare a
23 coordinated plan for the delivery of educational programs and
24 services in Nebraska through the telecommunications system;

25 (5) Seek a close liaison with the State Board of

1 Education and the State Department of Education in recognition of the
2 need for close coordination of activities between elementary and
3 secondary education and postsecondary education;

4 (6) Administer the Integrated Postsecondary Education
5 Data System or other information system or systems to provide the
6 commission with timely, comprehensive, and meaningful information
7 pertinent to the exercise of its duties. The information system shall
8 be designed to provide comparable data on each public institution.
9 The commission shall also administer the uniform information system
10 prescribed in sections 85-1421 to 85-1427 known as the Nebraska
11 Educational Data System. Public institutions shall supply the
12 appropriate data for the information system or systems required by
13 the commission;

14 (7) Administer the Access College Early Scholarship
15 Program Act, the Community College Aid Act, the Nebraska Opportunity
16 Grant Act, and the Postsecondary Institution Act;

17 (8) Accept and administer loans, grants, and programs
18 from the federal or state government and from other sources, public
19 and private, for carrying out any of its functions, including the
20 administration of privately endowed scholarship programs. Such loans
21 and grants shall not be expended for any other purposes than those
22 for which the loans and grants were provided. The commission shall
23 determine eligibility for such loans, grants, and programs, and such
24 loans and grants shall not be expended unless approved by the
25 Governor;

1 (9) On or before December 1 of each even-numbered year,
2 submit to the Legislature and the Governor a report of its objectives
3 and activities and any new private colleges in Nebraska and the
4 implementation of any recommendations of the commission for the
5 preceding two calendar years;

6 (10) Provide staff support for interstate compacts on
7 postsecondary education; and

8 (11) Request inclusion of the commission in any existing
9 grant review process and information system. ~~;~~ and

10 ~~(12) In collaboration with the State Department of~~
11 ~~Education, public and private postsecondary educational institutions,~~
12 ~~private, denominational, or parochial secondary schools, educational~~
13 ~~service units, and school districts, conduct a study regarding the~~
14 ~~need for uniform policies and practices for dual enrollment courses~~
15 ~~and career academies in Nebraska, including transferability of dual-~~
16 ~~enrollment courses and consistency of administration of career~~
17 ~~academies. The study shall also include a review of any program that~~
18 ~~provides Nebraska high school students with the opportunity to earn~~
19 ~~college credit or advanced placement through participation in courses~~
20 ~~and examinations administered by a not for profit organization and of~~
21 ~~the need for uniform policies and practices related to the acceptance~~
22 ~~and transferability of such courses and the college credit or~~
23 ~~advanced placement earned as a result of a student's performance on~~
24 ~~such examinations. The commission shall report the findings of such~~
25 ~~study and its recommendations, including recommendations for possible~~

1 ~~legislation, to the Legislature on or before December 15, 2011. For~~
2 ~~purposes of this subdivision, dual enrollment course has the same~~
3 ~~definition as provided in section 79-1201.01.~~

4 Sec. 13. Section 85-1418, Revised Statutes Supplement,
5 2011, is amended to read:

6 85-1418 (1) No state warrant shall be issued by the
7 Department of Administrative Services or used by any public
8 institution for the purpose of funding any program or capital
9 construction project which has not been approved or which has been
10 disapproved by the commission pursuant to the Coordinating Commission
11 for Postsecondary Education Act. If state funding for any such
12 program or project cannot be or is not divided into warrants separate
13 from other programs or projects, the department shall reduce a
14 warrant to the public institution which includes funding for the
15 program or project by the amount of tax funds designated by the
16 Legislature which are budgeted in that fiscal year by the public
17 institution for use for the program or project.

18 (2) The department may reduce the amount of state aid
19 distributed to a community college area pursuant to the Community
20 College ~~Foundation and Equalization Aid Act~~, or for fiscal years
21 2010-11, 2011-12, and 2012-13 pursuant to section 90-517, by the
22 amount of funds used by the area to provide a program or capital
23 construction project which has not been approved or which has been
24 disapproved by the commission.

25 (3) The district court of Lancaster County shall have

1 jurisdiction to enforce an order or decision of the commission
2 entered pursuant to the Coordinating Commission for Postsecondary
3 Education Act and to enforce this section.

4 (4) Any person or public institution aggrieved by a final
5 order of the commission entered pursuant to section 85-1413, 85-1414,
6 85-1415, or 85-1416 shall be entitled to judicial review of the
7 order. Proceedings for review shall be instituted by filing a
8 petition in the district court of Lancaster County within thirty days
9 after public notice of the final decision by the commission is given.
10 The filing of the petition or the service of summons upon the
11 commission shall not stay enforcement of such order. The review shall
12 be conducted by the court without a jury on the record of the
13 commission. The court shall have jurisdiction to enjoin enforcement
14 of any order of the commission which is (a) in violation of
15 constitutional provisions, (b) in excess of the constitutional or
16 statutory authority of the commission, (c) made upon unlawful
17 procedure, or (d) affected by other error of law.

18 (5) A party may secure a review of any final judgment of
19 the district court by appeal to the Court of Appeals. Such appeal
20 shall be taken in the manner provided by law for appeals in civil
21 cases and shall be heard de novo on the record.

22 Sec. 14. Section 85-1501.01, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 85-1501.01 The Legislature recognizes the need for and
25 importance of a strong partnership with the community colleges to

1 assure the continued economic growth of the state. In recognition of
2 that partnership, the Legislature affirms that community colleges
3 should be financed through a funding partnership from property tax,
4 state aid, tuition and fees, and other sources of revenue.

5 Sec. 15. Section 85-1503, Revised Statutes Supplement,
6 2011, is amended to read:

7 85-1503 For purposes of sections 85-1501 to 85-1540,
8 unless the context otherwise requires:

9 (1) Community college means an educational institution
10 operating and offering programs pursuant to such sections;

11 (2) Community college area means an area established by
12 section 85-1504;

13 (3) Board means the Community College Board of Governors
14 for each community college area;

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

1 located shall include credit and contact hours awarded by such
2 tribally controlled community college to students for which such
3 institution received no federal reimbursement pursuant to the federal
4 Tribally Controlled Community College Assistance Act, 25 U.S.C. 1801;

5 (5) Contact hour means an educational activity consisting
6 of sixty minutes minus break time and required time to change
7 classes;

8 (6) Credit hour means the unit used to ascertain the
9 educational value of course work offered by the institution to
10 students enrolling for such course work, earned by such students upon
11 successful completion of such course work, and for which tuition is
12 charged. A credit hour may be offered and earned in any of several
13 instructional delivery systems, including, but not limited to,
14 classroom hours, laboratory hours, clinical hours, practicum hours,
15 cooperative work experience, and independent study. A credit hour
16 shall consist of a minimum of: (a) Ten quarter or fifteen semester
17 classroom contact hours per term of enrollment; (b) twenty quarter or
18 thirty semester academic transfer and academic support laboratory
19 hours per term of enrollment; (c) thirty quarter or forty-five
20 semester vocational laboratory hours per term of enrollment; (d)
21 thirty quarter or forty-five semester clinical or practicum contact
22 hours per term of enrollment; or (e) forty quarter or sixty semester
23 cooperative work experience contact hours per term of enrollment. An
24 institution may include in a credit hour more classroom, laboratory,
25 clinical, practicum, or cooperative work experience hours than the

1 minimum required in this subdivision. The institution shall publish
2 in its catalog, or otherwise make known to the student in writing
3 prior to the student enrolling or paying tuition for any courses, the
4 number of credit or contact hours offered in each such course. Such
5 published credit or contact hour offerings shall be used to determine
6 whether a student is a full-time equivalent student pursuant to
7 subdivision (4) of this section;

8 (7) Classroom hour means a minimum of fifty minutes of
9 formalized instruction on campus or off campus in which a qualified
10 instructor applying any combination of instructional methods such as
11 lecture, directed discussion, demonstration, or the presentation of
12 audiovisual materials is responsible for providing an educational
13 experience to students;

14 (8) Laboratory hour means a minimum of fifty minutes of
15 educational activity on campus or off campus in which students
16 conduct experiments, perfect skills, or practice procedures under the
17 direction of a qualified instructor;

18 (9) Clinical hour means a minimum of fifty minutes of
19 educational activity on campus or off campus during which the student
20 is assigned practical experience under constant supervision at a
21 health-related agency, receives individual instruction in the
22 performance of a particular function, and is observed and critiqued
23 in the repeat performance of such function. Adjunct professional
24 personnel, who may or may not be paid by the college, may be used for
25 the directed supervision of students and for the delivery of part of

1 the didactic phase of the experience;

2 (10) Practicum hour means a minimum of fifty minutes of
3 educational activity on campus or off campus during which the student
4 is assigned practical experiences, receives individual instruction in
5 the performance of a particular function, and is observed and
6 critiqued by an instructor in the repeat performance of such
7 function. Adjunct professional personnel, who may or may not be paid
8 by the college, may be used for the directed supervision of the
9 students;

10 (11) Cooperative work experience means an internship or
11 on-the-job training, designed to provide specialized skills and
12 educational experiences, which is coordinated, supervised, observed,
13 and evaluated by qualified college staff or faculty and may be
14 completed on campus or off campus, depending on the nature of the
15 arrangement;

16 (12) Independent study means an arrangement between an
17 instructor and a student in which the instructor is responsible for
18 assigning work activity or skill objectives to the student,
19 personally providing needed instruction, assessing the student's
20 progress, and assigning a final grade. Credit hours shall be assigned
21 according to the practice of assigning credits in similar courses;

22 (13) Full-time equivalent student enrollment total means
23 the total of full-time equivalent students enrolled in a community
24 college in any fiscal year;

25 (14) General academic transfer course means a course

1 offering in a one-year or two-year degree-credit program, at the
2 associate degree level or below, intended by the offering institution
3 for transfer into a baccalaureate program. The completion of the
4 specified courses in a general academic transfer program may include
5 the award of a formal degree;

6 (15) Applied technology or occupational course means a
7 course offering in an instructional program, at the associate degree
8 level or below, intended to prepare individuals for immediate entry
9 into a specific occupation or career. The primary intent of the
10 institutions offering an applied technology or occupational program
11 shall be that such program is for immediate job entry. The completion
12 of the specified courses in an applied technology or occupational
13 program may include the award of a formal degree, diploma, or
14 certificate;

15 (16) Academic support course means a general education
16 academic course offering which may be necessary to support an applied
17 technology or occupational program;

18 (17) Class 1 course means an applied technology or
19 occupational course offering which requires the use of equipment,
20 facilities, or instructional methods easily adaptable for use in a
21 general academic transfer program classroom or laboratory;

22 (18) Class 2 course means an applied technology or
23 occupational course offering which requires the use of specialized
24 equipment, facilities, or instructional methods not easily adaptable
25 for use in a general academic transfer program classroom or

1 laboratory;

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

10 ~~(20) Full-time equivalent total means the total of all~~
11 ~~full-time equivalents accumulated in a community college area in any~~
12 ~~fiscal year;~~

13 ~~(21)-(19)~~ Reimbursable educational unit means a full-time
14 equivalent student multiplied by (a) for a general academic transfer
15 course or an academic support course, a factor of one, (b) for a
16 Class 1 course, a factor of one and fifty-hundredths, (c) for a Class
17 2 course, a factor of two, (d) for a tribally controlled community
18 college general academic transfer course or academic support course,
19 a factor of two, (e) for a tribally controlled community college
20 Class 1 course, a factor of three, and (f) for a tribally controlled
21 community college Class 2 course, a factor of four;

22 ~~(22)-(20)~~ Reimbursable educational unit total means the
23 total of all reimbursable educational units accumulated in a
24 community college area in any fiscal year;

25 ~~(23)-(21)~~ Special instructional term means any term which

1 is less than fifteen weeks for community colleges using semesters or
2 ten weeks for community colleges using quarters;

3 ~~(24)~~ (22) Statewide reimbursable full-time equivalent
4 total means the total of all reimbursable full-time equivalents
5 accumulated statewide for the community college in any fiscal year;

6 ~~(25)~~ (23) Tribally controlled community college means an
7 educational institution operating and offering programs pursuant to
8 the federal Tribally Controlled Community College Assistance Act, 25
9 U.S.C. 1801; and

10 ~~(26)~~ (24) Tribally controlled community college state aid
11 amount means:

12 ~~(a) For fiscal years before fiscal year 2010-11, the~~
13 ~~quotient of the amount of state aid to be distributed pursuant to the~~
14 ~~Community College Foundation and Equalization Aid Act for the current~~
15 ~~fiscal year to a community college area in which a tribally~~
16 ~~controlled community college is located divided by the reimbursable~~
17 ~~educational unit total for such community college area for the~~
18 ~~immediately preceding fiscal year, with such quotient then multiplied~~
19 ~~by the average reimbursable educational units derived pursuant to~~
20 ~~subdivision (19) of this section for the immediately preceding fiscal~~
21 ~~year; and~~

22 ~~(b)~~ (a) For fiscal years 2010-11, 2011-12, and 2012-13,
23 the amount of state aid provided to a tribally controlled community
24 college pursuant to section 90-517; and -

25 (b) For fiscal year 2013-14 and each fiscal year

1 thereafter, the quotient of the amount of state aid to be distributed
2 pursuant to the Community College Aid Act, excluding any amounts
3 received from the Nebraska Community College Student Performance and
4 Occupational Education Grant Fund, for such fiscal year to a
5 community college area in which a tribally controlled community
6 college is located divided by the reimbursable educational unit total
7 for such community college area for the fiscal year immediately
8 preceding the fiscal year for which aid is being calculated, with
9 such quotient then multiplied by the reimbursable educational units
10 derived from credit and contact hours awarded by a tribally
11 controlled community college to students for which such institution
12 received no federal reimbursement pursuant to the federal Tribally
13 Controlled Community College Assistance Act, 25 U.S.C. 1801, for the
14 fiscal year immediately preceding the fiscal year for which aid is
15 being calculated.

16 Sec. 16. Section 85-1511, Revised Statutes Cumulative
17 Supplement, 2010, is amended to read:

18 85-1511 In addition to any other powers and duties
19 imposed upon the community college system or its areas, campuses, or
20 boards by the Community College ~~Foundation and Equalization~~ Aid Act,
21 sections 85-917 to 85-966 and 85-1501 to 85-1540, and any other
22 provision of law, each board shall:

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

25 (2) Subject to coordination by the Coordinating

1 Commission for Postsecondary Education as prescribed in the
2 Coordinating Commission for Postsecondary Education Act, develop and
3 offer programs of applied technology education, academic transfer
4 programs, academic support courses, and such other programs and
5 courses as the needs of the community college area served may
6 require. The board shall avoid unnecessary duplication of existing
7 programs and courses in meeting the needs of the students and the
8 community college area;

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

13 (4) Subject to coordination by the Coordinating
14 Commission for Postsecondary Education as prescribed in the
15 Coordinating Commission for Postsecondary Education Act, construct,
16 lease, purchase, purchase on contract, operate, equip, and maintain
17 facilities;

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

20 (6)(a) ~~Cause an examination and a comprehensive audit of~~
21 ~~the books, accounts, records, and affairs, including full-time~~
22 ~~equivalent student enrollment totals, full-time equivalent totals,~~
23 ~~and reimbursable educational unit totals as defined in section~~
24 ~~85-1503,~~ to be made annually covering the most recently completed
25 fiscal year. ~~The audit of each area shall include the full-time~~

1 ~~equivalent student enrollment totals, full-time equivalent totals,~~
2 ~~and reimbursable educational unit totals for the three most recently~~
3 ~~completed fiscal years which shall be used for calculation of aid to~~
4 ~~the community college areas for fiscal years prior to fiscal year~~
5 ~~2010-11 as prescribed in the Community College Foundation and~~
6 ~~Equalization Aid Act. The audit shall also include the county-~~
7 ~~certified property valuations for the community college area for the~~
8 ~~three most recently completed fiscal years which shall be used for~~
9 ~~calculation of aid to such community college areas for fiscal years~~
10 ~~prior to fiscal year 2010-11. Such examination and~~ The audit of each
11 area shall include all sources of revenue used to finance operating
12 expenditures and capital improvements and the county-certified
13 property valuation for the community college for the fiscal year for
14 which such audit is being performed. Such audit of the books,
15 accounts, records, and affairs shall be completed and filed with the
16 Auditor of Public Accounts, the commission, and the Department of
17 Administrative Services on or before October 15 of each year; and -

18 (b) Cause a comprehensive audit of the full-time
19 equivalent student enrollment totals and reimbursable educational
20 unit totals to be made annually covering the most recently completed
21 fiscal year. The audit of each area shall include a report of full-
22 time equivalent student enrollment totals and reimbursable
23 educational unit totals verified by such audits for the three most
24 recently completed fiscal years which shall be used for calculation
25 of aid to the community college areas for fiscal year 2013-14 and

1 each fiscal year thereafter pursuant to subdivisions (3)(b) and (c)
2 of section 4 of this act. The ~~examination and~~ audit of the full-time
3 equivalent student enrollment totals, ~~full-time equivalent totals,~~
4 and reimbursable educational unit totals shall be completed and filed
5 with the Auditor of Public Accounts, the commission, and the
6 Department of Administrative Services on or before August 15 of each
7 year;

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

19 (8) Receive such gifts, grants, conveyances, and bequests
20 of real and personal property from public or private sources as may
21 be made from time to time, in trust or otherwise, whenever the terms
22 and conditions thereof will aid in carrying out the community college
23 programs as specified by law. Each board may sell, lease, exchange,
24 invest, or expend such gifts, grants, conveyances, and bequests or
25 the proceeds, rents, profits, and income therefrom according to the

1 terms and conditions thereof and adopt and promulgate rules and
2 regulations governing the receipt and expenditure of such proceeds,
3 rents, profits, and income, except that acceptance of such gifts,
4 grants, or conveyances shall not be conditioned on matching state or
5 local funds;

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

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

12 (11) Adopt and promulgate such rules and regulations and
13 perform all other acts as the board may deem necessary or appropriate
14 to the administration of the community college area. Such rules and
15 regulations shall include, but not be limited to, rules and
16 regulations relating to facilities, housing, scholarships,
17 discipline, and pedestrian and vehicular traffic on property owned,
18 operated, or maintained by the community college area;

19 (12) Employ, for a period to be fixed by the board, an
20 executive officer for the community college area and, by written
21 order filed in its office, delegate to such executive officer any of
22 the powers and duties vested in or imposed upon it by sections
23 85-1501 to 85-1540. Such delegated powers and duties may be exercised
24 in the name of the board;

25 (13) Acquire real property by eminent domain pursuant to

1 sections 76-701 to 76-724;

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

8 (15) Enter into agreements for services, facilities, or
9 equipment and for the presentation of courses for students when such
10 agreements are deemed to be in the best interests of the education of
11 the students involved;

12 (16) Transfer tribally controlled community college state
13 aid amounts to a tribally controlled community college located within
14 its community college area;

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

20 (18) Establish tuition rates for courses of instruction
21 offered by each community college within its community college area.
22 Separate tuition rates shall be established for students who are
23 nonresidents of the State of Nebraska. Each board may also establish
24 fees to support the operating expenditures of the community college
25 area if such fees are accounted for separately from the fees

1 authorized for capital improvement purposes pursuant to subdivision
2 (7) of this section and are identified as operating fees at the time
3 they are assessed;

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

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

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

16 Sec. 17. Section 85-1517, Revised Statutes Supplement,
17 2011, is amended to read:

18 85-1517 ~~(1)(a) For fiscal years prior to fiscal year~~
19 ~~2010-11, the board may certify to the county board of equalization of~~
20 ~~each county within the community college area a tax levy not to~~
21 ~~exceed the maximum levy calculated pursuant to the Community College~~
22 ~~Foundation and Equalization Aid Act on each one hundred dollars on~~
23 ~~the taxable valuation of all property subject to the levy within the~~
24 ~~community college area, uniform throughout such area, for the purpose~~
25 ~~of supporting operating expenditures of the community college area.~~

1 ~~(b) For fiscal year 2010-11 and each fiscal year~~
2 ~~thereafter, the~~ (1) For fiscal years 2011-12 and 2012-13:

3 (a) The board may certify to the county board of
4 equalization of each county within the community college area a tax
5 levy not to exceed ten and one-quarter cents on each one hundred
6 dollars on the taxable valuation of all property subject to the levy
7 within the community college area, uniform throughout the area, for
8 the purpose of supporting operating expenditures of the community
9 college area; -

10 ~~(2)-(b)~~ In addition to the levies provided in ~~subsections~~
11 ~~(1) and (3)~~ subdivisions (1)(a) and (c) of this section, the board
12 may certify to the county board of equalization of each county within
13 the community college area a tax levy of not to exceed one cent on
14 each one hundred dollars on the taxable valuation of all property
15 within the community college area, uniform throughout such area, for
16 the ~~purpose of purposes of paying off bonds issued under sections~~
17 85-1520 to 85-1527 and establishing a capital improvement fund and
18 bond sinking fund as provided in section 85-1515. The levy provided
19 by this subsection may be exceeded by that amount necessary to retire
20 the general obligation bonds assumed by the community college area or
21 issued pursuant to section 85-1515 according to the terms of such
22 bonds or for any obligation pursuant to section 85-1535 entered into
23 prior to January 1, 1997; and -

24 ~~(3)-(c)~~ In addition to the levies provided in ~~subsections~~
25 ~~(1) and (2)~~ subdivisions (1)(a) and (b) of this section, the board

1 may also certify to the county board of equalization of each county
2 within the community college area a tax levy on each one hundred
3 dollars on the taxable valuation of all property within the community
4 college area, uniform throughout such area, in the amount which will
5 produce funds only in the amount necessary to pay for funding
6 accessibility barrier elimination project costs and abatement of
7 environmental hazards as such terms are defined in section 79-10,110.
8 Such tax levy shall not be so certified unless approved by an
9 affirmative vote of a majority of the board taken at a public meeting
10 of the board following notice and a hearing. The board shall give at
11 least seven days' notice of such public hearing and shall publish
12 such notice once in a newspaper of general circulation in the area to
13 be affected by the increase. The proceeds of such tax levy shall be
14 deposited in the capital improvement and bond sinking fund provided
15 for in section 85-1515 for use in funding the projects authorized
16 pursuant to this subdivision.

17 (2) For fiscal year 2013-14 and each fiscal year
18 thereafter:

19 (a) 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 the difference between eleven and one-quarter
22 cents and the combined rate levied for such fiscal year pursuant to
23 subdivisions (b) and (c) of this subsection on each one hundred
24 dollars on the taxable valuation of all property subject to the levy
25 within the community college area, uniform throughout the area, for

1 the purpose of supporting operating expenditures of the community
2 college area. For purposes of calculating the amount of levy
3 authority available for operating expenditures pursuant to this
4 subdivision, the rate levied pursuant to subdivision (b) of this
5 subsection shall not include amounts to retire general obligation
6 bonds assumed by the community college area or issued pursuant to
7 section 85-1515 according to the terms of such bonds or for any
8 obligation pursuant to section 85-1535 entered into prior to January
9 1, 1997;

10 (b) In addition to the levies provided in subdivisions
11 (a) and (c) of this subsection, the board may certify to the county
12 board of equalization of each county within the community college
13 area a tax levy of not to exceed two cents on each one hundred
14 dollars on the taxable valuation of all property within the community
15 college area, uniform throughout such area, for the purposes of
16 paying off bonds issued under sections 85-1520 to 85-1527 and
17 establishing a capital improvement fund and bond sinking fund as
18 provided in section 85-1515. The levy provided by this subsection may
19 be exceeded by that amount necessary to retire general obligation
20 bonds assumed by the community college area or issued pursuant to
21 section 85-1515 according to the terms of such bonds or for any
22 obligation pursuant to section 85-1535 entered into prior to January
23 1, 1997; and

24 (c) In addition to the levies provided in subdivisions
25 (a) and (b) of this subsection, the board may certify to the county

1 board of equalization of each county within the community college
2 area a tax levy on each one hundred dollars on the taxable valuation
3 of all property within the community college area, uniform throughout
4 such area, in the amount which will produce funds only in the amount
5 necessary to pay for funding accessibility barrier elimination
6 project costs and abatement of environmental hazards as such terms
7 are defined in section 79-10,110. Such tax levy shall not be so
8 certified unless approved by an affirmative vote of a majority of the
9 board taken at a public meeting of the board following notice and a
10 hearing. The board shall give at least seven days' notice of such
11 public hearing and shall publish such notice once in a newspaper of
12 general circulation in the area to be affected by the increase. The
13 proceeds of such tax levy shall be deposited in the capital
14 improvement and bond sinking fund provided for in section 85-1515 for
15 use in funding the projects authorized in this subdivision.

16 ~~(4)~~(3) The taxes provided by this section shall be
17 levied and assessed in the same manner as other property taxes and
18 entered on the books of the county treasurer. The proceeds of the
19 tax, as collected, shall be remitted to the treasurer of the board
20 not less frequently than once each month.

21 Sec. 18. Section 85-1520, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 85-1520 Each board may construct, purchase, or otherwise
24 acquire, remodel, repair, furnish, and equip dormitories, residence
25 halls, single-dwelling units, multiple-dwelling units, or other

1 facilities for (1) the housing or boarding of single or married
2 students, faculty, or other employees of the institution under its
3 control, (2) buildings and structures for student and faculty unions
4 or centers, and (3) the medical care and other activities of the
5 students of such institutions, on real estate owned or controlled by
6 such board or on real estate purchased, leased, or otherwise acquired
7 for such purpose and pay the cost thereof, including the cost of such
8 real estate, by issuing revenue bonds payable ~~solely~~ out of the
9 revenue from such buildings or facilities, the revenue from the tax
10 levy authorized pursuant to subdivision (1)(b) of section 85-1517 for
11 fiscal years prior to fiscal year 2013-14 and subdivision (2)(b) of
12 section 85-1517 for fiscal year 2013-14 and each fiscal year
13 thereafter, or a combination thereof. Any such buildings or
14 facilities shall be located on or adjacent to a campus or campuses
15 controlled by such board.

16 Sec. 19. Section 85-1521, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 85-1521 Each board may, by resolution or agreement,
19 pledge all or any part of the revenue and fees derived from the
20 operation of the dormitories, residence halls, single-dwelling units,
21 multiple-dwelling units, buildings, and other facilities for housing,
22 boarding, medical care, and other activities of students, faculty, or
23 employees of the institution under its control erected or acquired or
24 previously erected or acquired by any such board and contract as to
25 the care, insurance, management, and operation of such buildings and

1 facilities and the charges to be made and the rights of the holders
2 of the revenue bonds. When any board contracts that the operation of
3 any building or facility or part thereof shall be performed other
4 than by the board itself, such board shall at all times maintain
5 supervision of and control over the fees and charges imposed for the
6 use of such building, facility, or part. In issuing revenue bonds and
7 pledging revenue therefor, the board may pledge all or any part of
8 the revenue and fees from buildings and facilities other than the
9 building or facility to be constructed. Bonds issued under sections
10 85-1520 to 85-1527 shall not be an obligation of the State of
11 Nebraska, and no tax, except for the tax authorized under subdivision
12 (1)(b) of section 85-1517 for fiscal years prior to fiscal year
13 2013-14 and subdivision (2)(b) of section 85-1517 for fiscal year
14 2013-14 and each fiscal year thereafter, shall ever be levied to
15 raise funds for the payment thereof or interest thereon. The bonds
16 shall constitute limited obligations of the board issuing the same
17 and shall be paid ~~solely~~ out of revenue from the tax levy authorized
18 pursuant to subdivision (1)(b) of section 85-1517 for fiscal years
19 prior to fiscal year 2013-14 and subdivision (2)(b) of section
20 85-1517 for fiscal year 2013-14 and each fiscal year thereafter and
21 out of money derived from the revenue and earnings pledged as
22 provided in sections 85-1501 to 85-1540.

23 Sec. 20. Section 85-1535, Revised Statutes Supplement,
24 2011, is amended to read:

25 85-1535 (1) A board of a community college area with a

1 population of less than one hundred thousand according to the last
2 federal decennial census and a campus located on a former military
3 base may enter into contracts with any person, firm, or corporation
4 providing for the implementation of any project for the constructing
5 and improving of facilities to house applied technology educational
6 programs necessary to carry out sections 85-1501 to 85-1540 and
7 providing for the long-term payment of the cost of such project.

8 (2) In no case shall any such contract run for a period
9 longer than twenty years or shall the aggregate of existing contracts
10 exceed four million five hundred thousand dollars for each area
11 exclusive of administrative costs, credit enhancement costs,
12 financing costs, capitalized interest, and reserves dedicated to
13 secure payment of contracts.

14 (3) No contract shall be entered into pursuant to this
15 section without prior approval by a resolution of the board and the
16 approval of the Coordinating Commission for Postsecondary Education.

17 (4) The long-term payment of the cost of such project
18 shall be paid from revenue to be raised pursuant to ~~subsection (2) of~~
19 ~~section 85-1517.~~ (a) subdivision (1)(b) of section 85-1517 for fiscal
20 years prior to fiscal year 2013-14 and (b) subdivision (2)(b) of
21 section 85-1517 for fiscal year 2013-14 and each fiscal year
22 thereafter. Any board entering into such contract for the
23 construction and improvement of facilities from revenue to be raised
24 pursuant to such ~~subsection~~ subdivisions shall make annual
25 appropriations for amounts sufficient to pay annual obligations under

1 such contract for the duration of such contract.

2 (5) The board may also convey or lease and lease back all
3 or any part of the project and the land on which such project is
4 situated to such person, firm, or corporation as the board may
5 contract with pursuant to this section to facilitate the long-term
6 payment of the cost of such project. Any such conveyance or lease
7 shall provide that when the cost of such project has been paid,
8 together with interest and other costs thereon, such project and the
9 land on which such project is located shall become the property of
10 the community college area.

11 Sec. 21. Section 85-1539, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 85-1539 There is hereby created the Nebraska Community
14 College Aid, Grant, and Contract Review Student Performance and
15 Occupational Education Grant Committee. The committee shall be
16 selected by the Director of Administrative Services and shall consist
17 of (1) a representative of the ~~University of Nebraska who has~~
18 ~~expertise and experience in research and development, Coordinating~~
19 Commission for Postsecondary Education, (2) a representative of the
20 Department of Economic Development, (3) a representative of the
21 Department of Labor, (4) a representative of the State Department of
22 Education, ~~and~~ (5) a representative of ~~the community colleges.~~
23 affiliated with one of the two community college areas with the two
24 smallest full-time equivalent student enrollment totals for the most
25 recent fiscal year, (6) a representative affiliated with one of the

1 two community college areas with the two largest full-time equivalent
2 student enrollment totals for the most recent fiscal year, and (7) a
3 representative affiliated with one of the two community college areas
4 not included in the categories provided in subdivisions (5) and (6)
5 of this section. The representatives appointed pursuant to
6 subdivisions (5) through (7) of this section shall serve terms of two
7 years and shall be succeeded by a representative affiliated with the
8 community college area not represented for the preceding term.

9 The committee shall develop guidelines and submit
10 recommendations to the Director of Administrative Services for the
11 distribution of the Nebraska Community College ~~Aid-Cash-Student~~
12 Performance and Occupational Education Grant Fund and any other funds
13 appropriated to Program 99 in Agency 83, Aid to Community Colleges,
14 pursuant to any directives of the Governor or the Legislature.
15 Recommendations made by the committee shall not exceed the amount
16 appropriated to the fund.

17 Sec. 22. Section 85-1540, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 85-1540 (1) There is hereby created the Nebraska
20 Community College ~~Aid-Cash-Student~~ Performance and Occupational
21 Education Grant Fund. The fund shall be under the direction of the
22 Nebraska Community College ~~Aid, Grant, and Contract Review-Student~~
23 Performance and Occupational Education Grant Committee. The fund
24 shall contain any amount available for transfer pursuant to
25 subsection (2) of section 4 of this act. The Legislature may also

1 appropriate to the fund nongeneral funds and transfers pursuant to
2 subdivision (1)(b)(iii) of section 48-621. ~~to the fund.~~ The fund
3 shall be used to provide aid, ~~grants, or contracts~~ or grants to the
4 community colleges for ~~the purposes of funding grants for (a)~~ applied
5 technology and occupational faculty training, instructional equipment
6 upgrades, employee assessment, preemployment training, employment
7 training, and dislocated worker programs benefiting the State of
8 Nebraska or (b) programs or activities to enhance (i) student
9 performance in the areas of degree, certificate, or diploma
10 completion, retention, or foundations education as defined in section
11 85-932.01 or (ii) the collection, reporting, analysis, and
12 utilization of student data. Any money in the fund available for
13 investment shall be invested by the state investment officer pursuant
14 to the Nebraska Capital Expansion Act and the Nebraska State Funds
15 Investment Act.

16 (2) Applications for aid or grants pursuant to this
17 section may be submitted by a community college area independently or
18 in collaboration with other community college areas.

19 Sec. 23. Section 90-517, Revised Statutes Supplement,
20 2011, is amended to read:

21 90-517 (1) Notwithstanding ~~the Community College~~
22 ~~Foundation and Equalization Aid Act~~ or any other provision of law,
23 state aid for each community college area for fiscal year 2010-11
24 shall equal:

25 (a) For the Central Community College Area, \$8,289,499;

1 (b) For the Metropolitan Community College Area,
2 \$18,389,499;

3 (c) For the Mid-Plains Community College Area,
4 \$8,251,373;

5 (d) For the Northeast Community College Area,
6 \$12,784,454, including \$38,815 for Nebraska Indian Community College
7 and \$13,120 for Little Priest Tribal College;

8 (e) For the Southeast Community College Area,
9 \$27,133,220; and

10 (f) For the Western Community College Area, \$11,909,980.

11 (2) Notwithstanding any other provision of law, state aid
12 for each community college area for fiscal years 2011-12 and 2012-13
13 shall equal the amount of state aid appropriated by the Legislature
14 for the respective fiscal year multiplied by the following percentage
15 for each community college area:

16 (a) For the Central Community College Area, eight and
17 eighty-six hundredths percent;

18 (b) For the Metropolitan Community College Area, twenty-
19 six and fifty-one hundredths percent;

20 (c) For the Mid-Plains Community College Area, nine and
21 five-hundredths percent;

22 (d) For the Northeast Community College Area, fourteen
23 and four-hundredths percent. Of such amount provided for the
24 Northeast Community College Area, one-tenth of one percent shall be
25 provided for Nebraska Indian Community College and two-tenths of one

1 percent for Little Priest Tribal College;

2 (e) For the Southeast Community College Area, twenty-
3 eight and twenty-seven hundredths percent; and

4 (f) For the Western Community College Area, thirteen and
5 twenty-seven hundredths percent.

6 (3) The Department of Administrative Services shall
7 distribute the amounts provided in subsection (1) or (2) of this
8 section for the respective fiscal year to each community college area
9 in ten as nearly as possible equal monthly payments between the fifth
10 and the twentieth day of each month beginning in September of each
11 year.

12 Sec. 24. Original sections 48-621, 85-1501.01, 85-1520,
13 85-1521, 85-1539, and 85-1540, Reissue Revised Statutes of Nebraska,
14 section 85-1511, Revised Statutes Cumulative Supplement, 2010, and
15 sections 13-518, 77-3442, 85-1412, 85-1418, 85-1503, 85-1517,
16 85-1535, and 90-517, Revised Statutes Supplement, 2011, are repealed.

17 Sec. 25. The following sections are outright repealed:
18 Sections 85-2201, 85-2202, 85-2203, 85-2204, 85-2205, 85-2206,
19 85-2207, 85-2208, 85-2209, 85-2210, 85-2211, 85-2212, 85-2213,
20 85-2215, 85-2216, 85-2217, 85-2218, 85-2220, 85-2221, 85-2222,
21 85-2223, 85-2224, 85-2225, 85-2227, 85-2228, and 85-2229, Reissue
22 Revised Statutes of Nebraska, and section 85-2230, Revised Statutes
23 Cumulative Supplement, 2010.

24 Sec. 26. Since an emergency exists, this act takes effect
25 when passed and approved according to law.