

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1388**

Introduced by Bostar, 29.

Read first time January 17, 2024

Committee: Education

- 1 A BILL FOR AN ACT relating to postsecondary education; to amend section
- 2 84-612, Revised Statutes Supplement, 2023; to adopt the Excellence
- 3 in Education Scholarship Act and the Community College Promise Act;
- 4 to provide for transfers from the Cash Reserve Fund; to repeal the
- 5 original section; and to declare an emergency.
- 6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 6 of this act shall be known and may be  
2 cited as the Excellence in Education Scholarship Act.

3           Sec. 2. The Legislature finds that brain drain is a significant  
4 issue impacting the future of the state. The purpose of the Excellence in  
5 Education Act is to recruit Nebraska's best and brightest students to  
6 attend eligible postsecondary education institutions in the state of  
7 Nebraska by providing matching funds to support total cost of attendance  
8 scholarship packages.

9           Sec. 3. For purposes of the Excellence in Education Scholarship  
10 Act:

11           (1) Award means a grant of money under the act in the form of an  
12 excellence in education scholarship to an eligible student for eligible  
13 educational expenses;

14           (2) Award recipient means an eligible student receiving an award  
15 under the Excellence in Education Scholarship Act;

16           (3) Eligible postsecondary educational institution means a public  
17 postsecondary educational institution which is part of the Nebraska state  
18 college system or the University of Nebraska and includes all branches  
19 and campuses of such institutions located within the State of Nebraska;

20           (4) Eligible student means a student with a composite score of at  
21 least thirty-three out of a maximum score of thirty-six on a standard  
22 college admission test who has not yet earned a baccalaureate degree and  
23 meets the requirements to receive an award under the Excellence in  
24 Education Scholarship Act;

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

29           (6) Total cost of attendance means the total cost to attend an  
30 eligible postsecondary institution, including but not limited to tuition,  
31 mandatory fees, other education-related fees, room and board, stipends,

1 and required materials related to a student's education.

2 Sec. 4. In order to be eligible to receive the matching funds  
3 allowed in the Excellence in Education Scholarship Act, an eligible  
4 postsecondary institution shall:

5 (1) Certify to the budget administrator of the budget division of  
6 the Department of Administrative Services the receipt of matching funds  
7 from private or nonstate funds for the purpose of carrying out the  
8 Excellence in Education Scholarship Act; and

9 (2) Include documentation demonstrating the establishment of an  
10 endowed scholarship fund for the purpose of providing total cost of  
11 attendance scholarship packages to eligible students.

12 Sec. 5. (1) An eligible postsecondary educational institution that  
13 has received matching funds pursuant to the Excellence in Education  
14 Scholarship Act shall collect information on each award recipient and  
15 shall report electronically to the Clerk of the Legislature and the  
16 Governor on or before December 1 of each year the following information:

17 (a) The total number of award recipients for the current academic  
18 year and total number of award recipients awarded the scholarships for  
19 the first time for the current academic year based on official fall  
20 census data;

21 (b) The total number of new award recipients retained across from  
22 the immediately prior academic year to the current academic year and  
23 provide a comparison of the retention rates between those of the new  
24 award recipients and the institutions overall first to second year  
25 retention rate reported to the Integrated Postsecondary Education Data  
26 System for the same year;

27 (c) The total number of award recipients who graduated during the  
28 immediately prior academic year and a comparison of the four-year  
29 graduation rates between the award recipients who graduated, and the  
30 overall institutions four-year graduation rate reported to Integrated  
31 Postsecondary Education Data System for the same year; and

1        (d) The number and percent of award recipients who graduate from the  
2 immediately prior calendar year who obtained employment in a major-  
3 related field in the state.

4        Sec. 6.    (1) The Excellence in Education Scholarship Fund is  
5 created. The Excellence in Education Scholarship Fund shall be used to  
6 provide matching funds to establish total cost of attendance scholarships  
7 for eligible students at eligible postsecondary educational institutions  
8 through endowed scholarship funds.

9        (2) Up to five million dollars shall be available in matching funds  
10 to provide total cost of attendance scholarship packages to eligible  
11 students with a composite score of thirty-six on a standard college  
12 admission test.

13        (3) Up to fifteen million dollars shall be available in matching  
14 funds to provide total cost of attendance scholarship packages to  
15 eligible students with a composite score of thirty-five on a standard  
16 college admission test.

17        (4) Up to thirty-two million dollars shall be available in matching  
18 funds to provide total cost of attendance scholarship packages to  
19 eligible students with a composite score of thirty-four on a standard  
20 college admission test.

21        (5) Up to forty-eight million dollars shall be available in matching  
22 funds to provide total cost of attendance scholarship packages to  
23 eligible students with a composite score of thirty-three on a standard  
24 college admission test.

25        Sec. 7.    Sections 7 to 12 of this act shall be known and may be  
26 cited as the Community College Promise Act.

27        Sec. 8.    For purposes of the Community College Promise Act,  
28 community college has the same meaning as in section 85-1503.

29        Sec. 9.    (1) A student shall be entitled to a waiver of one hundred  
30 percent of the resident tuition charges of any community college in  
31 Nebraska if the student:

1           (a) Is a Nebraska resident; and

2           (b) Has a family income of less than sixty-five thousand dollars per  
3 year as determined pursuant to the Free Application for Federal Student  
4 Aid.

5           (2) To remain eligible for a tuition waiver, a student shall comply  
6 with all requirements of the community college for continued attendance  
7 and award of an associate degree and maintain a grade point average of at  
8 least two and one-half on a four-point scale or its equivalent. A student  
9 may receive the tuition waiver for up to two years. The two-year  
10 eligibility starts once the student applies for and receives the tuition  
11 waiver for the first time.

12           Sec. 10. (1) A student shall include verification of the  
13 eligibility requirements on forms and in a manner prescribed by the  
14 community college when applying to such community college in order to  
15 receive the tuition waiver. Within forty-five days after receipt of a  
16 completed application, the community college shall send written notice of  
17 the student's eligibility or ineligibility for the tuition waiver. If the  
18 student is determined to not be eligible for the tuition waiver, the  
19 notice shall include the reason for such determination and an indication  
20 that an appeal of the determination may be made pursuant to the appeals  
21 process developed by the Coordinating Commission for Postsecondary  
22 Education.

23           (2) If the student is eligible for the waiver, a community college  
24 shall waive one hundred percent of the student's tuition remaining due  
25 after subtracting awarded federal financial aid grants and state  
26 scholarships during the time the student is enrolled.

27           Sec. 11. (1) The Coordinating Commission for Postsecondary  
28 Education shall develop an appeals procedure for tuition waiver  
29 determinations made pursuant to the Community College Promise Act.

30           (2) The commission may adopt and promulgate rules and regulations to  
31 carry out the Community College Promise Act.

1           Sec. 12. It is the intent of the Legislature to use General Funds  
2 to carry out the Community College Promise Act.

3           Sec. 13. Section 84-612, Revised Statutes Supplement, 2023, is  
4 amended to read:

5           84-612 (1) There is hereby created within the state treasury a fund  
6 known as the Cash Reserve Fund which shall be under the direction of the  
7 State Treasurer. The fund shall only be used pursuant to this section.

8           (2) The State Treasurer shall transfer funds from the Cash Reserve  
9 Fund to the General Fund upon certification by the Director of  
10 Administrative Services that the current cash balance in the General Fund  
11 is inadequate to meet current obligations. Such certification shall  
12 include the dollar amount to be transferred. Any transfers made pursuant  
13 to this subsection shall be reversed upon notification by the Director of  
14 Administrative Services that sufficient funds are available.

15           (3) In addition to receiving transfers from other funds, the Cash  
16 Reserve Fund shall receive federal funds received by the State of  
17 Nebraska for undesignated general government purposes, federal revenue  
18 sharing, or general fiscal relief of the state.

19           (4) The State Treasurer shall transfer two million dollars from the  
20 Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June  
21 30, 2024, on such dates and in such amounts as directed by the budget  
22 administrator of the budget division of the Department of Administrative  
23 Services.

24           (5) The State Treasurer shall transfer two hundred sixteen million  
25 one hundred twenty thousand dollars from the Cash Reserve Fund to the  
26 Nebraska Capital Construction Fund on or after July 1, 2022, but before  
27 June 15, 2023, on such dates and in such amounts as directed by the  
28 budget administrator of the budget division of the Department of  
29 Administrative Services.

30           (6) The State Treasurer shall transfer one hundred eighty-two  
31 million six hundred twenty-three thousand eight hundred twenty-five

1 dollars from the Cash Reserve Fund to the Nebraska Capital Construction  
2 Fund on or after July 1, 2023, but before June 30, 2024, on such dates  
3 and in such amounts as directed by the budget administrator of the budget  
4 division of the Department of Administrative Services.

5 (7) The State Treasurer shall transfer fifty-three million five  
6 hundred thousand dollars from the Cash Reserve Fund to the Perkins County  
7 Canal Project Fund on or before June 30, 2023, on such dates and in such  
8 amounts as directed by the budget administrator of the budget division of  
9 the Department of Administrative Services.

10 (8) No funds shall be transferred from the Cash Reserve Fund to  
11 fulfill the obligations created under the Nebraska Property Tax Incentive  
12 Act unless the balance in the Cash Reserve Fund after such transfer will  
13 be at least equal to five hundred million dollars.

14 (9) The State Treasurer shall transfer thirty million dollars from  
15 the Cash Reserve Fund to the Military Base Development and Support Fund  
16 on or before June 30, 2023, but not before July 1, 2022, on such dates  
17 and in such amounts as directed by the budget administrator of the budget  
18 division of the Department of Administrative Services.

19 (10) The State Treasurer shall transfer eight million three hundred  
20 thousand dollars from the Cash Reserve Fund to the Trail Development and  
21 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on  
22 such dates and in such amounts as directed by the budget administrator of  
23 the budget division of the Department of Administrative Services.

24 (11) The State Treasurer shall transfer fifty million dollars from  
25 the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after  
26 July 1, 2022, but before July 15, 2023, on such dates and in such amounts  
27 as directed by the budget administrator of the budget division of the  
28 Department of Administrative Services.

29 (12) The State Treasurer shall transfer thirty million dollars from  
30 the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on  
31 or after July 1, 2022, but before July 15, 2023, on such dates and in

1 such amounts as directed by the budget administrator of the budget  
2 division of the Department of Administrative Services.

3 (13) The State Treasurer shall transfer twenty million dollars from  
4 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July  
5 1, 2022, but before June 15, 2023, on such dates and in such amounts as  
6 directed by the budget administrator of the budget division of the  
7 Department of Administrative Services.

8 (14) The State Treasurer shall transfer twenty million dollars from  
9 the Cash Reserve Fund to the Middle Income Workforce Housing Investment  
10 Fund on July 15, 2022, or as soon thereafter as administratively  
11 possible, and in such amounts as directed by the budget administrator of  
12 the budget division of the Department of Administrative Services.

13 (15) The State Treasurer shall transfer eighty million dollars from  
14 the Cash Reserve Fund to the Jobs and Economic Development Initiative  
15 Fund on or after July 1, 2022, but before July 15, 2023, on such dates  
16 and in such amounts as directed by the budget administrator of the budget  
17 division of the Department of Administrative Services.

18 (16) The State Treasurer shall transfer twenty million dollars from  
19 the Cash Reserve Fund to the Site and Building Development Fund on July  
20 15, 2022, or as soon thereafter as administratively possible, and in such  
21 amounts as directed by the budget administrator of the budget division of  
22 the Department of Administrative Services.

23 (17) The State Treasurer shall transfer fifty million dollars from  
24 the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund  
25 on or after July 15, 2022, but before January 1, 2023, on such dates and  
26 in such amounts as directed by the budget administrator of the budget  
27 division of the Department of Administrative Services.

28 (18) The State Treasurer shall transfer fifteen million dollars from  
29 the Cash Reserve Fund to the Site and Building Development Fund on or  
30 before June 30, 2022, on such dates and in such amounts as directed by  
31 the budget administrator of the budget division of the Department of



1 Administrative Services.

2 (19) The State Treasurer shall transfer fifty-five million dollars  
3 from the Cash Reserve Fund to the Economic Recovery Contingency Fund on  
4 or before June 30, 2022, on such dates and in such amounts as directed by  
5 the budget administrator of the budget division of the Department of  
6 Administrative Services.

7 (20) The State Treasurer shall transfer ten million dollars from the  
8 Cash Reserve Fund to the School Safety and Security Fund as soon as  
9 administratively possible after September 2, 2023, on such dates and in  
10 such amounts as directed by the budget administrator of the budget  
11 division of the Department of Administrative Services.

12 (21) The State Treasurer shall transfer ten million dollars from the  
13 Cash Reserve Fund to the General Fund as soon as administratively  
14 possible after June 7, 2023, on such dates and in such amounts as  
15 directed by the budget administrator of the budget division of the  
16 Department of Administrative Services.

17 (22) The State Treasurer shall transfer one million dollars from the  
18 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as  
19 administratively possible after June 7, 2023, on such dates and in such  
20 amounts as directed by the budget administrator of the budget division of  
21 the Department of Administrative Services.

22 (23) The State Treasurer shall transfer three million dollars from  
23 the Cash Reserve Fund to the Risk Loss Trust on or before June 30, 2024,  
24 on such dates and in such amounts as directed by the budget administrator  
25 of the budget division of the Department of Administrative Services.

26 (24) The State Treasurer shall transfer eleven million three hundred  
27 twenty thousand dollars from the Cash Reserve Fund to the Health and  
28 Human Services Cash Fund on or after July 1, 2023, but on or before June  
29 30, 2024, on such dates and in such amounts as directed by the budget  
30 administrator of the budget division of the Department of Administrative  
31 Services.

1 (25) The State Treasurer shall transfer five hundred seventy-four  
2 million five hundred thousand dollars from the Cash Reserve Fund to the  
3 Perkins County Canal Project Fund on or before June 30, 2024, on such  
4 dates and in such amounts as directed by the budget administrator of the  
5 budget division of the Department of Administrative Services.

6 (26) The State Treasurer shall transfer one million four hundred  
7 thousand dollars from the Cash Reserve Fund to the State Building  
8 Revolving Fund on or before July 10, 2023, on such dates and in such  
9 amounts as directed by the budget administrator of the budget division of  
10 the Department of Administrative Services.

11 (27) The State Treasurer shall transfer one million one hundred  
12 thousand dollars from the Cash Reserve Fund to the Accounting Division  
13 Revolving Fund on or before July 10, 2023, on such dates and in such  
14 amounts as directed by the budget administrator of the budget division of  
15 the Department of Administrative Services.

16 (28) The State Treasurer shall transfer one million one hundred  
17 fifteen thousand dollars from the Cash Reserve Fund to the Public Safety  
18 Cash Fund on or after July 1, 2023, but before June 30, 2024, on such  
19 dates and in such amounts as directed by the budget administrator of the  
20 budget division of the Department of Administrative Services.

21 (29) The State Treasurer shall transfer one hundred million dollars  
22 from the Cash Reserve Fund to the Roads Operations Cash Fund before June  
23 30, 2023, on such dates and in such amounts as directed by the budget  
24 administrator of the budget division of the Department of Administrative  
25 Services.

26 (30) The State Treasurer shall transfer eighteen million seven  
27 hundred fifty thousand dollars from the Cash Reserve Fund to the State  
28 Self-Insured Indemnification Fund before June 30, 2023, on such dates and  
29 in such amounts as directed by the budget administrator of the budget  
30 division of the Department of Administrative Services.

31 (31) The State Treasurer shall transfer five million dollars from

1 the Cash Reserve Fund to the Nebraska Public Safety Communication System  
2 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on  
3 such dates and in such amounts as directed by the budget administrator of  
4 the budget division of the Department of Administrative Services.

5 (32) The State Treasurer shall transfer seventy million dollars from  
6 the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment  
7 Fund on or after July 1, 2023, but before June 30, 2024, on such dates  
8 and in such amounts as directed by the budget administrator of the budget  
9 division of the Department of Administrative Services.

10 (33) The State Treasurer shall transfer two million dollars from the  
11 Cash Reserve Fund to the Site and Building Development Fund on or after  
12 July 1, 2023, but before June 30, 2024, on such dates and in such amounts  
13 as directed by the budget administrator of the budget division of the  
14 Department of Administrative Services.

15 (34) The State Treasurer shall transfer twenty million dollars from  
16 the Cash Reserve Fund to the Economic Development Cash Fund on or after  
17 July 1, 2023, but before June 30, 2024, on such dates and in such amounts  
18 as directed by the budget administrator of the budget division of the  
19 Department of Administrative Services.

20 (35) The State Treasurer shall transfer zero dollars from the Cash  
21 Reserve Fund to the Rural Workforce Housing Investment Fund on or after  
22 July 1, 2023, but before June 30, 2024, on such dates and in such amounts  
23 as directed by the budget administrator of the budget division of the  
24 Department of Administrative Services.

25 (36) The State Treasurer shall transfer zero dollars from the Cash  
26 Reserve Fund to the Middle Income Workforce Housing Investment Fund on or  
27 after July 1, 2023, but before June 30, 2024, on such dates and in such  
28 amounts as directed by the budget administrator of the budget division of  
29 the Department of Administrative Services.

30 (37) The State Treasurer shall transfer two hundred forty million  
31 dollars from the Cash Reserve Fund to the Economic Recovery Contingency

1 Fund on or after July 1, 2023, but before June 30, 2024, on such dates  
2 and in such amounts as directed by the budget administrator of the budget  
3 division of the Department of Administrative Services.

4 (38) The State Treasurer shall transfer ten million dollars from the  
5 Cash Reserve Fund to the Critical Infrastructure Facilities Cash Fund on  
6 or after July 1, 2023, but before June 30, 2024, on such dates and in  
7 such amounts as directed by the budget administrator of the budget  
8 division of the Department of Administrative Services.

9 (39) The State Treasurer shall transfer four hundred forty million  
10 dollars from the General Fund to the Cash Reserve Fund on or after July  
11 1, 2023, but before June 30, 2024, on such dates and in such amounts as  
12 directed by the budget administrator of the budget division of the  
13 Department of Administrative Services.

14 (40) The State Treasurer shall transfer zero dollars from the Cash  
15 Reserve Fund to the Site and Building Development Fund on or after July  
16 1, 2024, but before June 30, 2025, on such dates and in such amounts as  
17 directed by the budget administrator of the budget division of the  
18 Department of Administrative Services.

19 (41) The State Treasurer shall transfer one million dollars from the  
20 Cash Reserve Fund to the General Fund on or after July 1, 2024, but  
21 before June 30, 2025, on such dates and in such amounts as directed by  
22 the budget administrator of the budget division of the Department of  
23 Administrative Services.

24 (42) The State Treasurer shall transfer twenty-five million four  
25 hundred fifty-eight thousand eight hundred dollars from the Cash Reserve  
26 Fund to the Nebraska Capital Construction Fund on or after July 1, 2024,  
27 but before June 30, 2025, on such dates and in such amounts as directed  
28 by the budget administrator of the budget division of the Department of  
29 Administrative Services.

30 (43) The State Treasurer shall transfer two million five hundred  
31 thousand dollars from the Cash Reserve Fund to the Materiel Division

1 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on  
2 such dates and in such amounts as directed by the budget administrator of  
3 the budget division of the Department of Administrative Services.

4 (44) The State Treasurer shall transfer ten million dollars from the  
5 Cash Reserve Fund to the Youth Outdoor Education Innovation Fund on or  
6 after July 1, 2023, but before June 30, 2024, on such dates and in such  
7 amounts as directed by the budget administrator of the budget division of  
8 the Department of Administrative Services.

9 (45) The State Treasurer shall transfer twenty million dollars from  
10 the Cash Reserve Fund to the Excellence in Education Scholarship Fund  
11 before June 30, 2024, on such dates and in such amounts as directed by  
12 the budget administrator of the budget division of the Department of  
13 Administrative Services.

14 (46) The State Treasurer shall transfer eighty million dollars from  
15 the Cash Reserve Fund to the Excellence in Education Scholarship Fund on  
16 or after July 1, 2024, but before June 30, 2025, on such dates and in  
17 such amounts as directed by the budget administrator of the budget  
18 division of the Department of Administrative Services.

19 Sec. 14. Original section 84-612, Revised Statutes Supplement,  
20 2023, is repealed.

21 Sec. 15. Since an emergency exists, this act takes effect when  
22 passed and approved according to law.