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LEGISLATIVE BILL 1107

Approved by the Governor April 15, 2004

Introduced by Raikes, 25

AN ACT relating to the Nebraska Scholarship Act; to amend sections 85-1903 and 85-1912, Revised Statutes Supplement, 2003; to change provisions relating to award amounts and computation of the target level of funds; and to repeal the original sections.

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

Section 1. Section 85-1903, Revised Statutes Supplement, 2003, is amended to read:

85-1903. Award means a grant of money by the commission to an eligible student for educational expenses. Awards shall not exceed: (1) For award years prior to the 2006-07 award year:

(a) For students who received an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, the greater of the total awards received by the student pursuant to such acts for the 2002-03 award year or twenty five percent <u>one-half</u> of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln; or

(b) For students who did not receive an award from the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year, twenty five percent <u>one-half</u> of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln; and

(2) For the 2006-07 award year and each award year thereafter, twenty-five percent of the tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln.

Sec. 2. Section 85-1912, Revised Statutes Supplement, 2003, is amended to read:

85-1912. In order to reduce the costs of administering the Nebraska Scholarship Act, the commission shall identify a target level of funds to be distributed to students pursuant to the act at each eligible postsecondary educational institution. The target level of funds shall represent the maximum amount that may be awarded pursuant to the act to eligible students enrolled in such eligible postsecondary educational institution. The target level of funds for each eligible postsecondary educational institution shall be determined as follows:

(1) For award years prior to the 2006-07 award year for eligible postsecondary educational institutions when the student cost for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution was greater than the student cost for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln:

(a) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year;

(b) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2002-03 award year;

(c) For the 2003-04 award year, multiply the number determined in subdivision (1)(b) of this section by the ratio equal to the number of <u>eligible</u> full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for both the 2002-03 award year and the 2001-02 award year at the eligible postsecondary educational institution divided by the number of <u>eligible</u> full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution;

(d) For the 2004-05 award year, multiply the number determined in

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subdivision (1)(b) of this section by the ratio equal to the number of <u>eligible</u> full-time-equivalent students who received both an award pursuant to the Nebraska Scholarship Act for the 2003-04 award year and an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution divided by the number of <u>eligible</u> full-time-equivalent students who received an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for both the 2002-03 award year and the 2001-02 award year at the eligible

postsecondary educational institution; (e) For the 2005-06 award year, multiply the number determined in subdivision (1)(b) of this section by the ratio equal to the number of <u>eligible</u> full-time-equivalent students who received both an award pursuant to the Nebraska Scholarship Act for the 2004-05 award year and an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution divided by the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution who received both an award pursuant to the Nebraska Scholarship Act for the 2003-04 award year and an award pursuant to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award to the Postsecondary Education Award Program Act, the Scholarship Assistance Program Act, or the State Scholarship Award Program Act for the 2001-02 award year at the eligible postsecondary educational institution;

(f) Multiply the difference of the number determined pursuant to subdivision (1)(a) of this section minus the number determined pursuant to subdivision (1)(c), (d), or (e) of this section by the tuition and mandatory fees determined pursuant to subdivision (2) of section 85-1909;

(g) Multiply the number determined pursuant to subdivision (1)(c),(d), or (e) of this section by the tuition and mandatory fees determined pursuant to subdivision (1) of section 85-1909;

(h) Divide the sum of the products derived pursuant to subdivisions (1)(f) and (g) of this section for each eligible postsecondary educational institution by the sum of the products derived pursuant to subdivisions (1)(f) and (g) and (2)(b) of this section for all eligible postsecondary educational institutions; and

(i) Multiply the total of federal and state funds appropriated for purposes of distribution pursuant to the Nebraska Scholarship Act by the ratio derived pursuant to subdivision (1)(h) of this section; and

(2) For award years prior to 2006-07 for eligible postsecondary educational institutions when the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the eligible postsecondary educational institution was less than or equal to the student costs for tuition and mandatory fees for a full-time, resident, undergraduate student for the last completed award year at the University of Nebraska-Lincoln and for the 2006-07 award year and each award year thereafter for all eligible postsecondary educational institutions:

(a) Determine the number of eligible full-time-equivalent students enrolled at the eligible postsecondary educational institution for the last completed award year;

(b) Multiply the number determined in subdivision (2)(a) of this section by the tuition and mandatory fees as limited pursuant to subdivision (2) of section 85-1909;

(c) Divide the product derived pursuant to subdivision (2)(b) of this section for each eligible postsecondary educational institution by the sum of the products derived pursuant to subdivisions (1)(f) and (g) and (2)(b) of this section for all eligible postsecondary educational institutions; and

(d) Multiply the total of federal and state funds appropriated for purposes of distribution pursuant to the act by the ratio derived pursuant to subdivision (2)(c) of this section.

Sec. 3. Original sections 85-1903 and 85-1912, Revised Statutes Supplement, 2003, are repealed.