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*Promoting high quality, ready access, and efficient use of resources  
in Nebraska higher education.*

**LB 637 Testimony**  
**Marshall A. Hill, Executive Director**  
Feb. 7, 2011

- LB 637 would replace current statutes that govern the Coordinating Commission's approval of new private institutions and out-of-state institutions offering courses in Nebraska. The Commission is not seeking to change any core principles in the approval process; rather, we propose to clarify and strengthen the law. This bill also would bring Nebraska into compliance with some new rules issued by the U.S. Department of Education.
- Current statutes date back to the 1960s and '70s. Obviously, higher education has changed dramatically since then, particularly with the tremendous growth of the for-profit sector. We believe an update is necessary in order to carry out the original purposes of the statutes.
  - For example, the Nebraska Department of Education and the Coordinating Commission currently share responsibility for oversight of private postsecondary degree programs. This is the result of a recent blurring of the lines between what is considered a career school or a traditional college. The changes we propose would eliminate this split authority and allow the Commission complete authority, with some important institutional exemptions, over any private institution seeking to offer a bachelor's degree or higher in Nebraska.
- LB 637 would provide more oversight of new private institutions and out-of-state institutions wishing to operate in Nebraska.
- This bill would allow the Commission to place an end-date on authorization for out-of-state institutions. Currently, we cannot de-authorize an institution – even if *they* make such a request. For example, one out-of-state institution earned approval in 1987 to operate in Nebraska. However, they have not offered courses since 1990 and express no desire to at this point, yet remain authorized to do so.
- To address this issue, LB 637 would require all institutions affected by the bill to apply for re-authorization every five years.
- The bill also would require more extensive and more frequent reporting from new and out-of-state institutions granted approval to operate in Nebraska. The Commission would have the authority to revoke or suspend an institution's authorization when violations occur.

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- LB 637 also would expand the Commission's authority over institutions that set up administrative offices in the state. One benefit of this expanded authority would be the Commission's increased ability to protect Nebraskans from potential "diploma mills" that might establish operations in the state.
- This bill would establish a more extensive complaint resolution process, as well. As part of that process, the Commission could hold a hearing if a formal complaint is filed against an institution. This section of the bill, in particular, would bring Nebraska into compliance with new rules put forth by the U.S. Department of Education.