



LB 465 Testimony

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- This bill calls on the Coordinating Commission to allocate funds from a new grant program to private, non-profit institutions, which would then award the money as financial aid to their students. Distribution of funds to those institutions would be based on their number of Nebraska Pell-eligible students, similar to the current Nebraska Opportunity Grant program, which also is administered by the Coordinating Commission. There is a key difference, however: Students who receive Opportunity Grant funds must demonstrate financial need. Students who would receive funds through this new grant program would only need to be eligible for any federal Title IV funds, some of which are *not* need-based.
- The money follows the student for the Nebraska Opportunity Grant, meaning the focus is on the students and their needs. The Coordinating Commission determines an amount of funding available to an eligible college or university based on the institution's Nebraska-resident, Pell-eligible Full-Time Equivalent (FTE) enrollment. The Commission receives a list of potential students to receive grant funds from each institution, verifies their eligibility, and approves an award to each of those students. For the proposed College Choice Grant Program, the Commission would not verify the eligibility of students receiving grant funds and would not know which students received grants. We believe this approach could violate the State Constitution.
- Nebraska currently ranks 33rd in need-based undergraduate grant dollars per undergraduate FTE enrolled. It seems counter-productive to isolate state grant funds to benefit students in just one sector – particularly when students receiving those funds may not be among our most needy.

- If you wish to increase state aid for Nebraska's college students, increase the amount allocated for the Nebraska Opportunity Grant. That would be a tide that would raise all boats. It would ensure that more of the state's neediest students receive the financial support necessary for them to attend and stay in college, regardless of the institution they attend.