

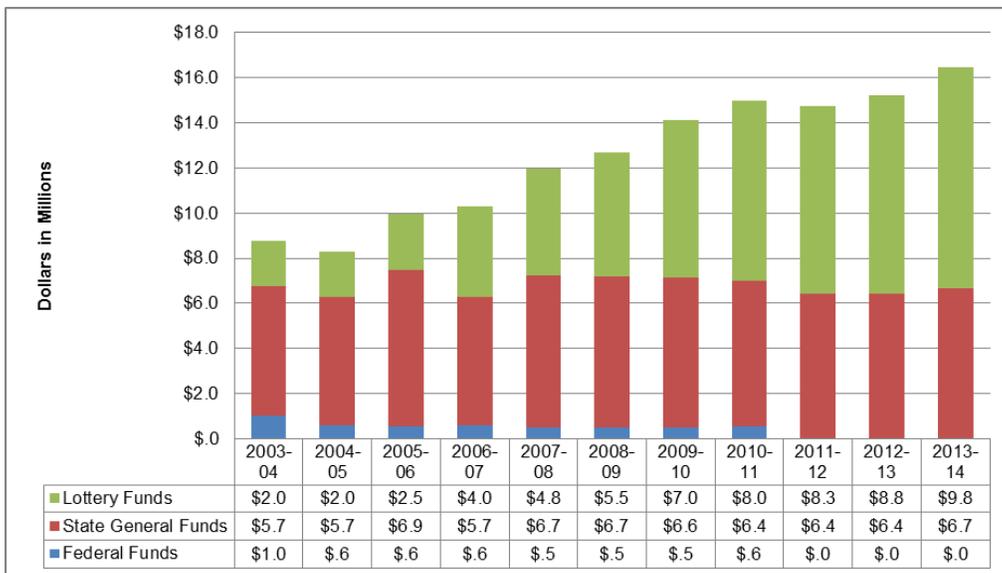
## Overview

The Nebraska Opportunity Grant (NOG) program provides financial aid to students who are residents of Nebraska, have not earned a bachelor's, graduate or professional degree, have high financial need, and who are attending eligible Nebraska colleges and universities. NOG is the State of Nebraska's only need-based financial aid program for postsecondary students. Prior to

the 2010-11 academic year, the program was called the Nebraska State Grant Program, which began in 2003. The Coordinating Commission for Postsecondary Education administers the program. Although funding for NOG has steadily increased, Nebraska still ranks only 33rd in the country in State-provided need-based financial aid.<sup>1</sup> Funding has not kept pace with student need.

## Funding

NOG is funded through a combination of General fund appropriations and lottery funds. As you can see on the chart to the left, General funds have remained stagnant since 2007-08<sup>2</sup>. Federal funds have disappeared. The only increase in NOG funding has come from lottery funds. Meanwhile, student need has continued to increase at a rate that outpaces any increase in funding.

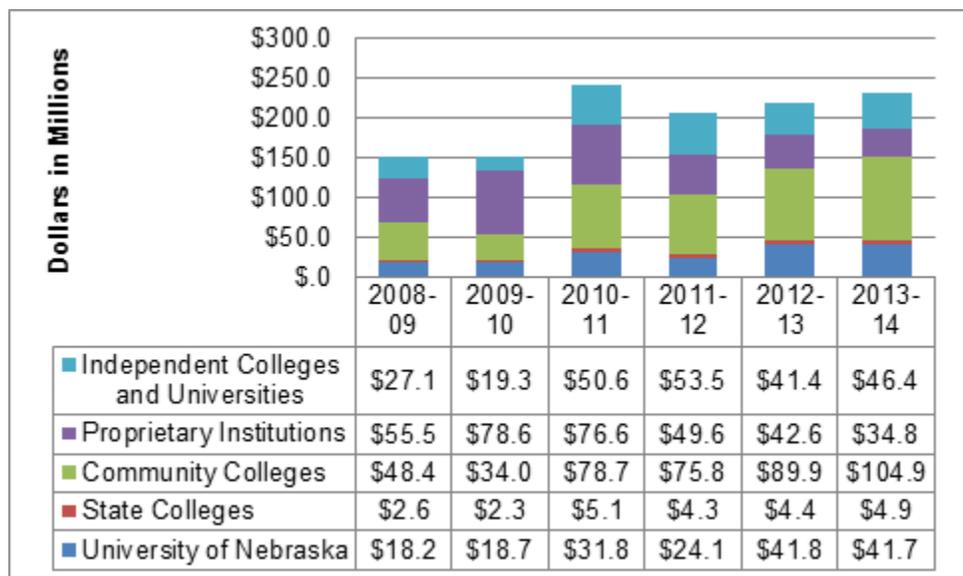


Source: 2014 Nebraska Higher Education Progress Report, Coordinating Commission for Postsecondary Education

## Unmet financial need

Nearly 16,000 students received NOG awards in 2013-14 — but more than 40,000 students qualified for grants and did not receive them due to a lack of NOG funds.<sup>3</sup>

The chart to the right illustrates the unmet financial need of Nebraska postsecondary students. A lack of State-sponsored financial aid is a contributing factor to this. A student is more likely to take out costly private loans when confronted with unmet financial need.



Source: Coordinating Commission for Postsecondary Education

Source <sup>1</sup>: 2014 Tuition, Fees and Financial Aid Report, CCPE; Source <sup>2</sup> and Source <sup>3</sup>: 2013-14 NOG Year-End Report, CCPE

## NOG — by the numbers (2013-14)<sup>4</sup>

**Amount awarded:** \$16,419,718

**Recipients:** 15,944 students

### Recipients by sector:

- 39.6% - Community Colleges
- 23.1% - University of Nebraska
- 20.1% - Independents
- 10.4% - Private career schools
- 6.8% - State Colleges

**Average grant:** \$1,029.84

### NOG recipients by income level:

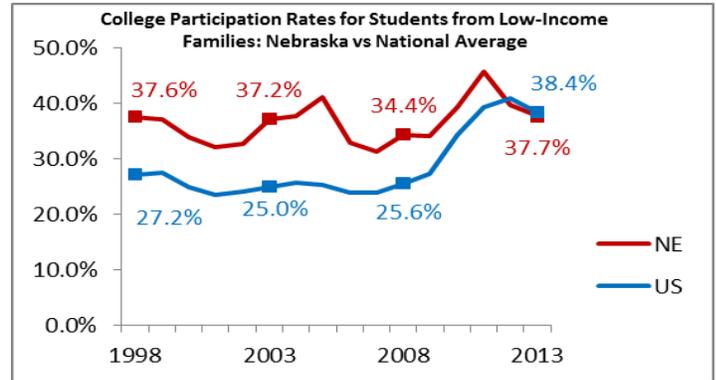
- 45.2% - \$19,999 or less
- 28.0% - \$20,000-\$39,999
- 26.8% - \$40,000+

## Future need

### Growth in free and reduced lunch

Nebraska students will continue to need financial aid to afford college. One predictor is the percentage of PK-12 students who qualify for free and reduced lunch, currently 45%, which has increased every year since 2006-07 and every year except one since 1999-2000.<sup>5</sup>

### Low-income college participation has stalled<sup>6</sup>



## 2012-13 NOG recipients/unfunded students by Legislative District<sup>7</sup>

SENATOR	DISTRICT	RECIPIENTS	UNFUNDED	SENATOR	DISTRICT	RECIPIENTS	UNFUNDED
Adams	24	227	500	Karpisek	32	239	587
Ashford	20	269	625	Kintner	2	241	509
Avery	28	491	1,246	Kolowski	31	176	393
Bloomfield	17	161	410	Krist	10	290	705
Bolz	29	363	981	Larson	40	183	398
Brasch	16	172	399	Lathrop	12	301	792
Campbell	25	191	689	McCoy	39	141	356
Carlson	38	191	342	McGill	26	520	1,200
Chambers	11	414	1,239	Mello	5	273	813
Christensen	44	188	219	Murante	49	219	474
Coash	27	402	1,057	Nordquist	7	210	623
Conrad	46	497	1,151	Pirsch	4	164	405
Cook	13	296	958	Price	3	272	635
Crawford	45	336	792	Scheer	19	249	687
Davis	43	167	347	Schilz	47	142	279
Dubas	34	212	376	Schumacher	22	295	425
Gloor	35	277	385	Seiler	33	269	436
Haar	21	477	1,135	Smith	14	300	679
Hadley	37	212	583	Sullivan	41	234	506
Hansen	42	284	466	Wallman	30	356	742
Harms	48	264	610	Watermeier	1	284	512
Harr	8	298	873	Wightman	36	284	449
Howard	9	232	648	Vacant	6	259	589
Janssen	15	272	531	Vacant	18	261	685
Johnson	23	237	466				

## How LB 497 could affect low-income students

With the June 30, 2016 sunset of lottery funding for the Nebraska Opportunity Grant (LB 497), about \$10 million will no longer be available unless funding from the lottery is reauthorized or a new source of funding, such as the General fund, is appropriated.

**Removing \$10 million in funding from the NOG program will result in approximately 9,710 NOG scholarships not being awarded to low-income students.**

Note: Number of recipients for some districts is likely affected by students from throughout the state providing their college address as their home address. Source<sup>4</sup>: 2013-14 NOG Year-End Report, CCPE; Source<sup>5</sup>: State of the Schools Report, NE Dept. of Ed.; Source<sup>6</sup>: Postsecondary Education Opportunity, #266, August 2014, Pell Institute for the Study of Opportunity in Higher Education; Source<sup>7</sup>: Coordinating Commission for Postsecondary Education