

Excellence in Teaching Act: Career-Readiness and Dual-Credit Education Grant Program (CRDC)

Source: LB 705, Section 23 and Section 24(2)(a).

Purpose: This is a new program to provide grants to teachers who are enrolling in graduate course work to meet Higher Learning Commission requirements to teach college-level courses (dual enrollment) and/or teachers or prospective teachers taking undergraduate or graduate coursework to become qualified to teach career and technical education courses. The program will benefit high school teachers who want to be qualified to teach college-level courses and community college faculty or people with industry experience who need an NDE endorsement or permit to teach career and technical education courses.

Funding: \$250,000 per year from the Excellence in Teaching Cash Fund from July 1, 2024, through at least June 30, 2029. This is the first funding priority from the EITA Cash Fund.

Eligibility: High school teachers, college faculty seeking an NDE postsecondary teaching permit, persons with industry experience who would like to teach career and technical education courses with a career education permit.

Administration: CCPE has budgetary authority and funding to add two staff positions and pay other operating expenses for the CRDC, AETP, EETP, and Door to College Scholarship beginning July 1, 2024.

Partners: NDE, Department of Labor, colleges and universities, high schools, advisory group. NDE and DOL are mandatory partners; CCPE may convene an advisory group and intends to. The partners will identify existing or create and establish teacher education pathways enabling instruction of dual credit and CTE courses and prioritizing pathways with workforce demand.

Rules Required: Permissive – CCPE may adopt rules to carry out the program or may operate through guidelines. Staff recommends that rules be adopted as the legislation is not particularly prescriptive and grants will be made to individuals.

Reporting Requirements: By 12-31-25, and each December 31 thereafter, the CCPE must submit an annual report on the number and amount of grants awarded, the postsecondary institutions attended by the grant recipients, and information regarding completion of requirements needed to teach dual credit courses and/or career and technical education courses.

Milestones:

- Create Advisory Committee
- Identify or develop education pathways with colleges and universities (esp. UNO)
- Create and adopt administrative rules
- Develop application system and tracking and reporting system
- Publicize program with NDE
- Hire staff
- Open applications
- Make awards
- Disburse grants

Excellence in Teaching Act: Attracting Excellence to Teaching Program (AETP)

Source: LB 705, Sections 13 – 22 and 24 - 27

Purpose: This is an existing program currently administered by NDE that provides forgivable loans of up to \$3,000 per year to full-time students (undergraduate or graduate) enrolled in eligible Nebraska teacher education programs working toward initial teacher certification in a shortage area.

Funding: Up to \$400,000 per year from the Excellence in Teaching Cash Fund from July 1, 2024, through at least June 30, 2029. This amount is based on availability of funds after the first \$750,000 of the EITA Cash Fund is used for CRDC and Student Teachers.

Eligibility: A student must be in the top quarter of his or her high school class or have a minimum college g.p.a. of 3.0; major in a teacher shortage area; agree to complete a teacher education program; complete the major upon which eligibility is based; and commit to teach at a school in Nebraska at least a portion of the time in the shortage area after becoming certified. At the end of three years of teaching, up to \$3,000 will be forgiven (\$6,000 at low-income schools or very sparse districts), and an equal amount will be forgiven for each subsequent year of teaching until the loan is entirely forgiven. Upon successful completion of student teaching, AETP recipients are forgiven \$1,000 of AETP loans.

Administration: CCPE has budgetary authority and funding to add two staff positions and pay other operating expenses for the CRDC, AETP, EETP, and Door to College Scholarship beginning July 1, 2024. NDE has a program administrator whom the Commission would like to hire to maintain continuity.

The program is administered in conjunction with the colleges of education. Funding is distributed to institutions based on a formula that considers the proportionate share of teacher ed program graduates. Applications must be certified by the teacher education program chair and the financial aid office. Loan funds are disbursed by the institution to the loan recipients. Loan recipients must sign a contract with the Commission acknowledging the terms of the loan and loan forgiveness.

Partners: NDE, Institutions, Financial Aid offices

Rules Required: Yes. NDE currently has rules and regulations for the AETP and EETP programs. The Commission will need to adapt them and adopt them.

Reporting Requirements: Eligible institutions must file annual reports with the Commission for each year that they receive funding. The Commission must report to the Governor, the Education Committee, and the Clerk of the Legislature on or before Dec. 31 of even-numbered years.

Milestones

- Work with NDE to devise an orderly transition. NDE will be responsible for the application process for the 2024-25 school year.
- Work with NDE to transition IT applications they are developing for AETP and EETP
- Work with colleges of education and financial aid offices to ensure a smooth transition
- Adopt rules based on NDE's current rules
- Hire staff
- Transition records from NDE
- Receive information on successful applicants from institutions

Excellence in Teaching Act: Enhancing Excellence in Teaching Program (EETP)

Source: LB 705, Sections 13 – 22 and 24 - 27

Purpose: This is an existing program currently administered by NDE that provides forgivable loans of \$175 per credit hour, up to a maximum of \$3,000 annually, to currently employed teachers enrolled in graduate programs leading to a graduate degree or an added endorsement in a shortage area.

Funding: Up to \$800,000 per year from the Excellence in Teaching Cash Fund from July 1, 2024, through at least June 30, 2029. This amount is based on availability of funds after the first \$750,000 of the EITA Cash Fund is used for CRDC and Student Teachers and the next \$400,000 is used for AETP. The EITA Cash Fund is expected to receive \$1.8 to \$1.9 million annually, so funds for EETP may not reach \$800,000 regularly.

Eligibility: An applicant must be a certificated teacher employed at least half time in an approved or accredited PK-12 school and be enrolled in an eligible graduate program at an eligible Nebraska institution leading to a graduate degree or added endorsement in a shortage area. At the end of the third consecutive year of teaching full time in Nebraska after the graduate degree or endorsement is completed, the combined total of any EETP funds received will be forgiven in an amount up to \$1,500. For each additional year the borrower teaches at a school NOT classified as low income or very sparse, up to \$1,500 will be forgiven. For teachers at low-income schools or very sparse districts, up to \$3,000 per year will be forgiven.

Partners: NDE, Institutions

Rules Required: Yes. NDE currently has rules and regulations for the AETP and EETP programs. The Commission will need to adapt them and adopt them.

Administration: CCPE has budgetary authority and funding to add two staff positions and pay other operating expenses for the CRDC, AETP, EETP, and Door to College Scholarship beginning July 1, 2024. NDE has a program administrator whom the Commission would like to hire to maintain continuity.

Applications must first be submitted to the institution in which the applicant is enrolled. Institutions review the applications and then will submit them to the Commission. The Commission will review and approve applications and distribute funds directly to the teachers on a quarterly basis after proof of registration is provided. Loan recipients must sign a contract with the Commission acknowledging the terms of the loan and loan forgiveness.

Reporting Requirements: Eligible institutions must file annual reports with the Commission for each year that they receive funding. The Commission must report to the Governor, the Education Committee, and the Clerk of the Legislature on or before Dec. 31 of even-numbered years.

Milestones

- Work with NDE to devise an orderly transition. NDE will be responsible for the application process for the 2024-25 school year.
- Work with NDE to transition IT applications they are developing for AETP and EETP
- Work with institutions to ensure a smooth transition
- Adopt rules based on NDE's current rules

- Hire staff
- Transition records from NDE
- Receive information on successful applicants from institutions and make awards

Excellence in Teaching Act: Student Teacher Grant/Loan? (Student Teacher)

Source: LB 705, Section 24(2)(b).

Purpose: To provide grants and loans to students during their student teaching semester.

Funding: \$500,000 per year from the Excellence in Teaching Cash Fund from July 1, 2024, through at least June 30, 2029. This is the second funding priority for the EITA Cash Fund.

Eligibility: Not elaborated other than recipients must be enrolled in a teacher education program for student teaching semester.

Administration: CCPE has budgetary authority and funding to add two staff positions and pay other operating expenses for the CRDC, AETP, EETP, and Door to College Scholarship beginning July 1, 2024.

Partners: NDE, colleges of education, institutional financial aid offices

Rules Required: LB 705 does not address rules and regulations for this allocation of EITA funds. Ideally, this would fall under the rules and regulations for the Attracting Excellence to Teaching Program.

Reporting Requirements: None noted.

Milestones:

- Obtain clarification of legislative intent
- Seek legislative change if necessary
- Develop program after receiving clarification or statutory change
- If the intent is to make loans under the AETP, AETP rules and process will be used, including making awards through the colleges of education and institutional financial aid office.
- If the intent is to make grants, a new process will be developed with the colleges or education and institutional financial aid offices.

Door to College Scholarship Program

Source: LB 705, Sec. 28 - 38

Purpose: To provide grants of up to \$5,000 annually to students who graduate from high school from an accredited program at a youth rehabilitation and treatment center (YRTC) operated and utilized in compliance with state law or graduate from an approved or accredited public, private, denominational or parochial school within one year after being discharged from a YRTC.

Funding: 1% of lottery funds available for education from July 1, 2024, through at least June 30, 2029, estimated to be about \$230,000 per year.

Eligibility: Students who graduate from high school from an accredited program at a youth rehabilitation and treatment center (YRTC) operated and utilized in compliance with state law or graduate from an approved or accredited public, private, denominational or parochial school within one year after being discharged from a YRTC. Beyond that requirement, eligible students must meet NOG eligibility requirements – i.e., file a FAFSA, attend an eligible postsecondary institution, be a Nebraska resident, enroll at least part-time, and not have already earned a bachelor's degree.

Administration: CCPE has budgetary authority and funding to add two staff positions and pay other operating expenses for the CRDC, AETP, EETP, and Door to College Scholarship beginning July 1, 2024.

Like the NOG program, the postsecondary institutions will receive and process Door to College applications, determine eligibility, and make award recommendations to the Commission. Unlike the NOG program, funds will be distributed to the institutions after the Commission has received all recommendations from the institutions because funds are not allocated to institutions by formula. Awards may vary year to year depending on the number of eligible students. Institutional financial aid offices will process awards.

Partners: Postsecondary institutions, financial aid offices, NDE, DHHS

Rules Required: Permissive – CCPE may adopt rules to carry out the program. Staff recommends that rules be adopted to ensure accountability and because an appeals process is required.

Reporting Requirements: None required, but an annual report will be prepared.

Milestones:

- Meet with NDE and DHHS to discuss how best to identify eligible students
- Meet with financial aid offices (NeASFAA) to collect input on administrative processes
- Create and adopt administrative rules
- Develop application system and tracking and reporting system
- Share application with colleges and universities
- Receive recommendations from colleges and universities
- Allocate funding and make awards
- Disburse grants to colleges and universities

Community College Future Fund

Source: LB 243 Sec. 12(3), Sections 19 – 23; LB 243A Sec. 2

Purpose: To replace property taxes levied by community colleges for operating expenses with state funds. Colleges will still levy property taxes for capital projects up to two cents per hundred dollars of valuation. Colleges will retain authority to levy taxes for operating expenses if the state does not increase funding by 3.5% annually or the percentage increase in reimbursable education units (REUs), whichever is greater, or if funds provided through the Community College Aid Act decline on an annual basis or below the 2022-23 distribution.

Funding: \$246.5 million is appropriated for fiscal year 2024-25; however, that amount will likely need to increase if all colleges levy the maximum allowed for fiscal year 2023-24, which will be the base year. The Legislature will appropriate funds for the CCFE biennially.

Eligibility: Community College Areas

Administration: No funding is provided for administrative costs; additional staff work will be minimal. The Commission will calculate the amount owed to each community college area annually and certify it to the colleges, the budget division of the Department of Administrative Services, and the State Treasurer by August 15 each year. The State Treasurer will transfer the certified amounts from the General Fund to the Community College Future Fund in ten equal monthly installments from September to June, and the Commission will distribute the funds to the colleges.

Partners: Community College Areas, Budget Division of DAS, State Treasurer

Rules Required: No

Reporting Requirements: None beyond the calculations shared with the partners.

Milestones:

- Set up necessary accounting procedures
- Collect FTE/REU audits to calculate change in REUs
- Collect the amount levied by college, inflate by 3.5% annually or % change in REUs
- Certify amounts
- Distribute payments to colleges monthly



FAFSA Simplification Act

What is it and what does it do?

J. Ritchie Morrow
Financial Aid Officer
Commission Work Session
Western Nebraska Community College
July 27, 2023

What is the FAFSA Simplification Act?

- Passed Congress December 27, 2020, and signed by then-President Trump
- Significant overhaul of federal student aid
 - Redesigns the Free Application for Federal Student Aid (FAFSA)
 - Replaces the Expected Family Contribution (EFC) with the Student Aid Index (SAI)
 - Simplifies Pell Grant eligibility determination
 - Maximum & Minimum based on income, family size, and poverty guidelines
 - All other based on SAI (maximum Pell – SAI = Pell Award)

Changes to the FAFSA

- Everyone will be required to link FAFSA to IRS data, even non-filers and undocumented parents of eligible students
- Reduces number of questions on the FAFSA from 106 to 49
- Adds demographic questions; required to be answered



EFC to SAI

- Family size based on 1040 exemptions
 - Can be updated
- Changes definition of parent in single parent family
- No adjustment for number in college
- Allows for -1,500 student contribution
 - If student is dependent can be applied against parent's positive contribution
- Changes required income & asset reportable items

Changes to Income Data

Expected Family Contribution (EFC)	Student Aid Index (SAI)
<ul style="list-style-type: none">• AGI (tax filers) or income earned from work (non-tax filers)• Deductible payments to SEP/SIMPLE/KEOGH/Other• Tax-exempt interest• Untaxed portions of IRA distributions and pensions (excluding rollovers)• Payments to tax-deferred pension and retirement savings plans• Child support received• Housing, food, and other allowances paid to members of the military, clergy, and others• Veterans noneducation benefits• Other untaxed income• Money received by or paid on student's behalf	<ul style="list-style-type: none">• AGI• Deductible payments to SEP/SIMPLE/KEOGH/Other• Tax-exempt interest• Untaxed portions of IRA distributions and pensions (excluding rollovers)• Foreign income exclusion

Changes to Asset Data

Expected Family Contribution (EFC)	Student Aid Index (SAI)
<p>Contribution from Assets</p> <ul style="list-style-type: none">• Cash, savings, and checking• Net worth of investments, including real estate (excluding primary residence)• Adjusted net worth of business and/or farm (excluding businesses with fewer than 100 full-time employees or family farms)	<p>Contribution from Assets</p> <ul style="list-style-type: none">• Annual child support received• Cash, savings, checking, time deposits, and money market funds• Net worth of investments, including real estate (excluding primary residence)• Adjusted net worth of business and/or farm

Simplified FAFSA Act Nebraska Students

	No EFC/SAI Change	EFC/SAI Changes <\$10	EFC/SAI Changes <\$100	EFC/SAI Changes <\$500	EFC/SAI Increases >\$500	EFC/SAI Decreases >\$500
Dependent	0.04%	0.12%	0.68%	3.49%	20.79%	75.71%
Independent without Dependents	0.01%	0.01%	0.22%	1.10%	6.17%	92.73%
Independent with Dependents	0.01%	0.03%	0.17%	0.95%	3.09%	95.96%

Simplified FAFSA Act Pell for Dependent Students

	Count	Percent	Mean
Pell Eligible (EFC)	14,740	40.7%	\$5,018
Pell Eligible (SAI)	18,046	49.8%	\$5,347

Percent within \$500	Percent Increase Over \$500	Percent Decrease Over \$500
72.1%	27.1%	0.5%

Simplified FAFSA Act Pell for Independent Students w/o Dependents

	Count	Percent	Mean
Pell Eligible (EFC)	11,119	63.3%	\$5,344
Pell Eligible (SAI)	13,283	75.6%	\$5,185

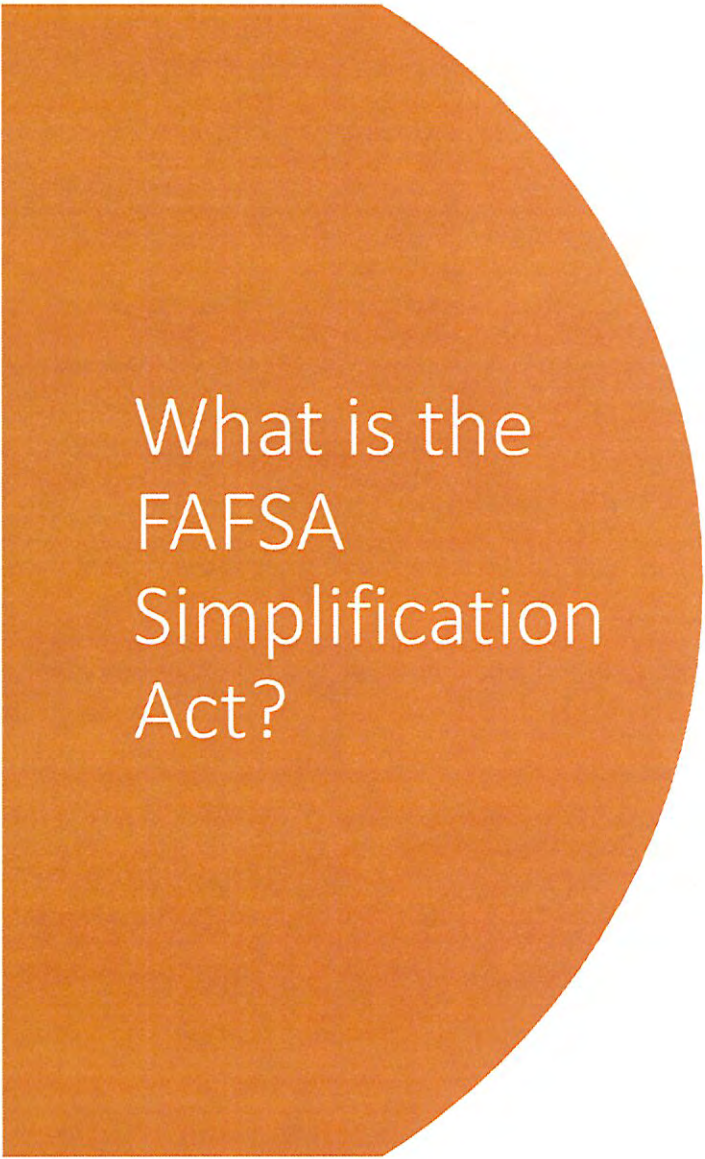
Percent within \$500	Percent Increase Over \$500	Percent Decrease Over \$500
72.1%	27.1%	0.5%

Simplified FAFSA Act

Pell for Independent Students w/ Dependents

	Count	Percent	Mean
Pell Eligible (EFC)	13,978	83.0%	\$5,792
Pell Eligible (SAI)	14,813	88.0%	\$6,012

Percent within \$500	Percent Increase Over \$500	Percent Decrease Over \$500
77.2%	22.5%	0.2%

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What is the FAFSA Simplification Act?

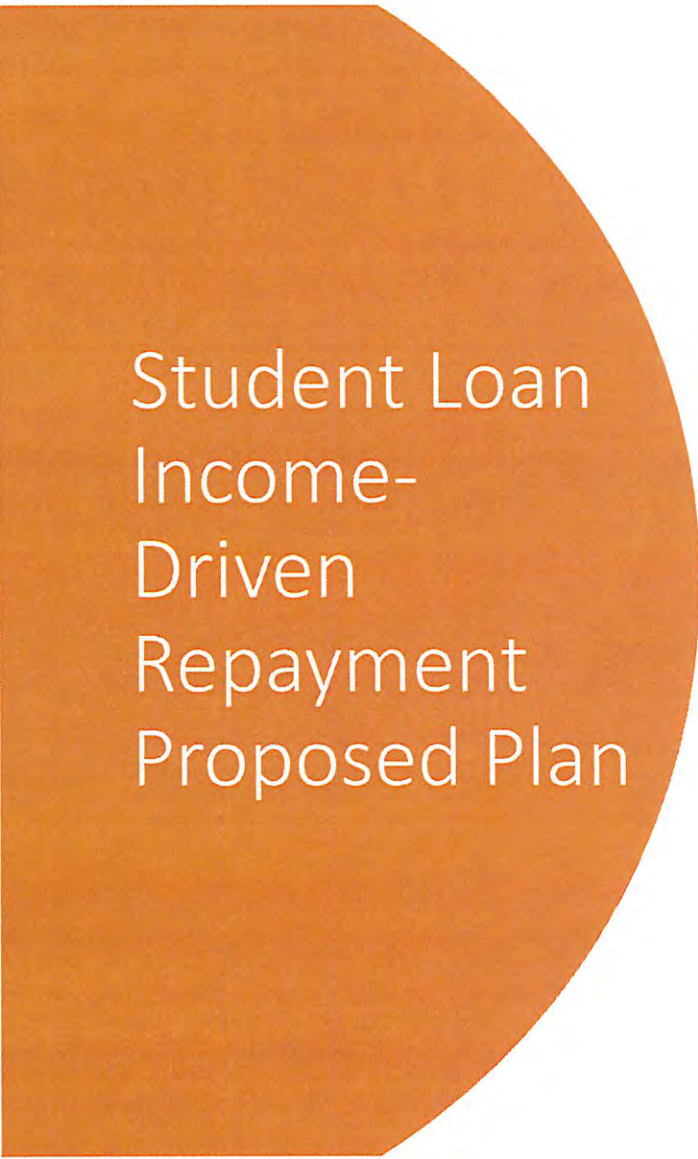
- Questions?






Student Loan Repayment and Forgiveness Proposals

J. Ritchie Morrow
Financial Aid Officer
Commission Work Session
Western Nebraska Community College
July 27, 2023

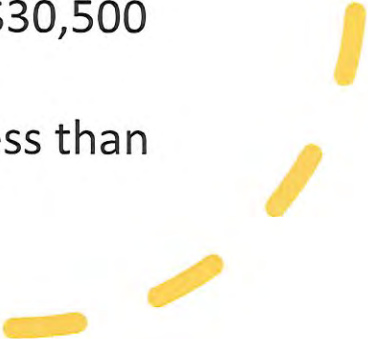
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Student Loan Income- Driven Repayment Proposed Plan

- Amend Revised Pay As You Earn (REPAYE) plan
 - New name – Saving on A Valuable Education (SAVE)
 - Phase out other programs
 - Pay As You Earn (PAYE)
 - Income-Contingent Repayment (ICR)
 - Limit eligibility for Income-Based Repayment (IBR) plan
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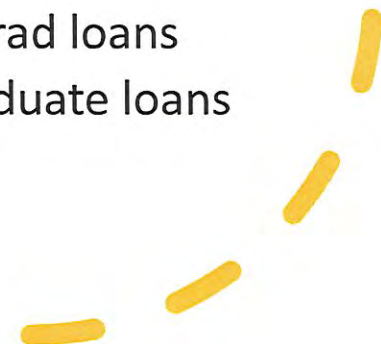



SAVE Plan

- Currently, payments equal to 10% of discretionary income
 - Income in excess of 150% of Federal poverty guidelines
 - Proposal would reduce payment to 5% of discretionary income
 - Income in excess of 225% of Federal poverty guidelines
 - Payment would be \$0 for:
 - Single borrower making less than \$30,500 (compared to \$20,400)
 - Borrower in a family of 4 making less than \$62,400 (compared to \$41,600)
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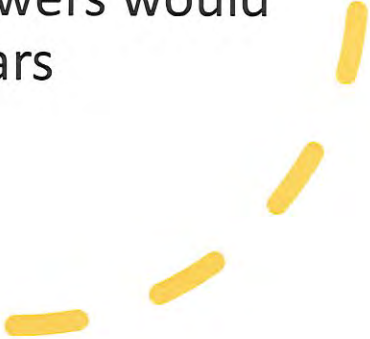
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SAVE Plan – cont.

- Payments applied to interest first
 - If payment is $<$ monthly accrued interest, then interest balance would be waived
 - Loan Forgiveness
 - \$12,000 or less – balance of loan forgiven after 120 payments
 - Additional \$1,000 borrowed would add 12 additional months of payments
 - Maximum 20 years if only undergrad loans
 - Maximum 25 years if includes graduate loans
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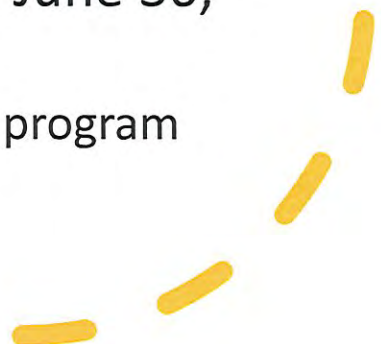


SAVE Plan – cont.

- Lifetime payments per dollar borrowed drop:
 - 83% for bottom 30% of earners
 - 5% for top 30% of earners
 - 50% for Black, Hispanic, American Indian and Alaska Native borrowers
 - 35% for White borrowers
 - 33% for Asian and Pacific Islander borrowers
 - 85% of community college borrowers would have loans forgiven within 10 years
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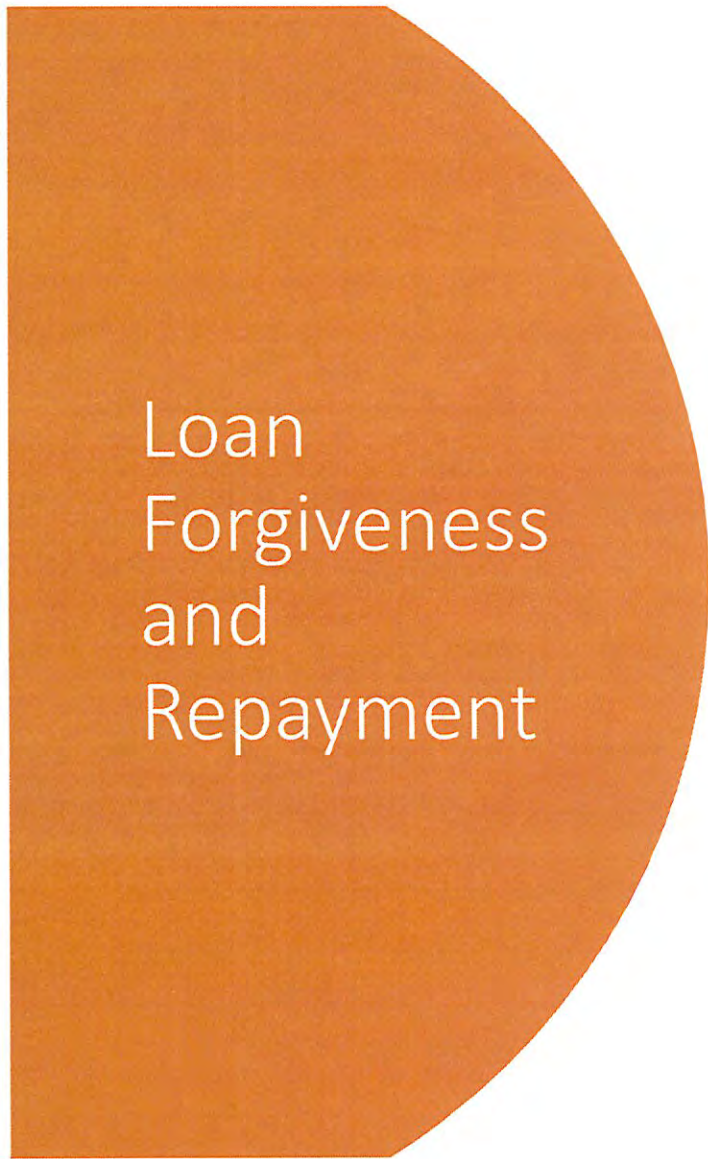
Loan Forgiveness Plans

- President Biden proposed Student Debt Relief plan
 - Up to \$10,000 forgiven if student did not receive Pell
 - Up to \$20,000 forgiven if student did receive Pell
 - Income guidelines
 - Under \$125,000 for single and married filing separately tax filers
 - Under \$250,000 for all others
 - Supreme Court blocked program June 30, 2023
 - NE AG one of six who filed to stop program
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Loan Forgiveness Plans – cont.

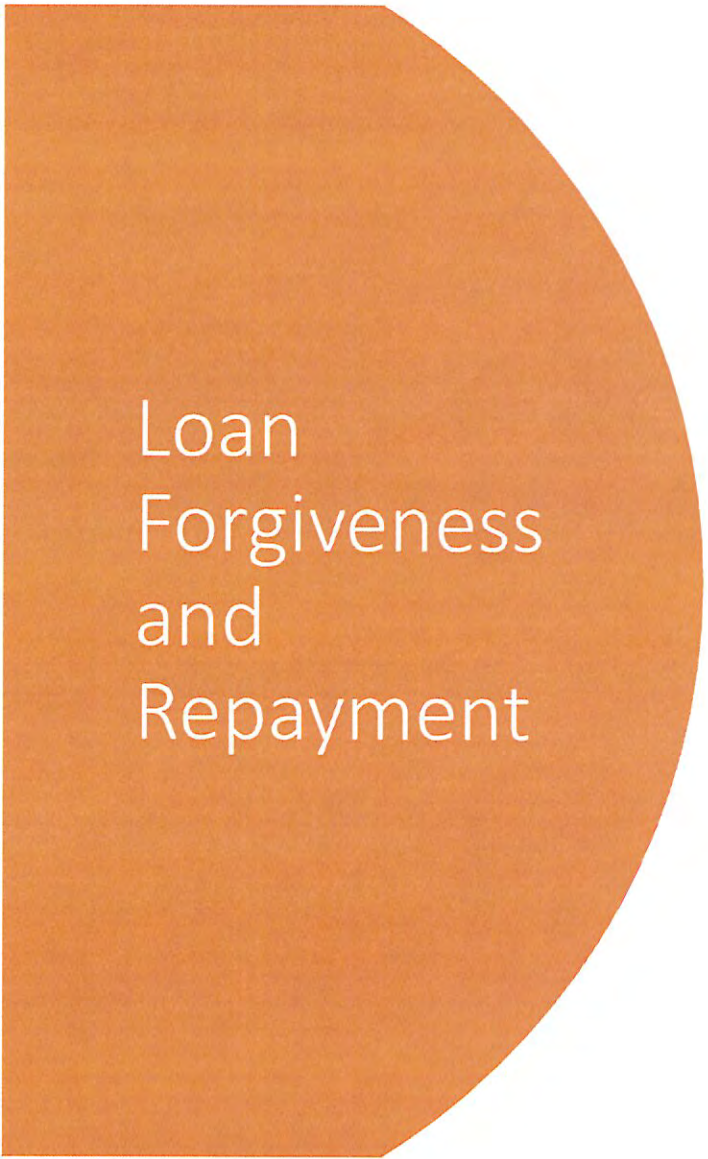
- Other available programs
 - Public Service (PSLF) – employed by a government or non-profit organization
 - Teacher – full-time for five years in a low-income elementary, secondary, or ESU
 - Closed School
 - Total and Permanent Disability
 - Death
 - Bankruptcy (rare)
 - Borrower Defense
 - False Certification
 - Unpaid Refund
 - Forgery



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Loan Forgiveness and Repayment

- Can combine Repayment and Forgiveness Plans
 - Teacher in proposed SAVE and PSLF would save more than \$17,000 over 10 years
 - Teacher with Master's in proposed SAVE and PSLF would see total payments reduced by 45%
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Loan Forgiveness and Repayment

- Questions?



1. Staff – Individual staff meetings with:
 - Executive Director – including a concise summary of the ED’s personal objectives
 - Academic Programs Officer
 - Chief Finance and Administrative Officer
 - Capital Project and Financial Analyst
 - Financial Aid Officer
 - Research Director

Outline of duties, scope of work, interactions with other staff, current projects, personal perspective of the Commission and priorities.

2. Background and responsibilities of the Commission. Create and review a packet containing:
 - CCPE Constitutional mandate
 - Overview and brief history of the Commission
 - An executive summary (lay language) of:
 - Our role – current responsibilities
 - Our relationship with the Unicameral
 - Our relationship with post-secondary institutions
 - Parameters and limitations of our authority
 - What does “Coordinating” mean?
3. Commissioner Responsibilities –
4. Our meeting process –
5. Commission calendar
6. Reports, Fact Sheets, Dashboards -bullet point summary of each
7. Real-life questions:
 - What really is “postsecondary education”? – Its role in Nebraska and our economy.
 - What are our options to deal with any given project or program presented to us?
 - Differences between the University system, state colleges and community colleges?
 - Where do private institutions fit in?
8. Overarching issues that may or may not impact our role:
 - Nebraska’s brain drain
 - Declining enrollments.
 - Declining ACT test performance
 - Disparities of race, gender, ethnicity, economic status
9. Individual programs that impact education, e.g. Nebraska’s Transfer Initiative
10. Financial Aid Programs
 - ACE – Access College Early
 - NOG – Nebraska Opportunity Grants
 - GAP – Community College Gap Assistance