

This message is being sent to you as a member of Huskers for Higher Education network:

Dear Friends - I hope you had a chance to enjoy your 4th of July weekend!

As I mentioned in my earlier e:mail I wanted to provide you with a recap of the last legislative session. For the most part I will concentrate on those issues that impact UNL although, as you may know, the budget situation affected the entire University system.

In general, UNL was very successful in it's legislative agenda even though we had hoped for a slightly higher general fund appropriation. While we realize that many of our surrounding states are suffering with deep budget cuts, there was a bit of a disappointment that we could not garner more than a 1.5% increase. The 1.5% increase was somewhat bittersweet. It came nowhere near meeting our core funding needs. On the other hand our rate of increase was higher than that of the totality of state government and the University system was one of the few universities in the country to see an actual increase in appropriations.

Budgetary Issues:

General fund - In fall 2008, the University submitted its budget request to the Governor's office, requesting 7.3% for FY 10 and 6.8% for FY 11. It should be noted that the request is more of a needs assessment of what will be needed to operate the University in the coming biennium than it is an expectation of what will likely be funded. In January, the Governor issued his budget recommendation, suggesting a 1% increase in each year for the University of Nebraska. After hearings, consideration of actions by the Forecasting Board, deliberations and some compromise, the Appropriations Committee sent a budget to the floor proposing a 1.5% increase. This is the amount that was ultimately passed and approved by the Governor.

Student Information System - The University had requested approximately \$10 million of additional one-time funding to complete the purchase of the student information system. While not providing new funding for this proposal, the Legislature did grant permission to the University to use surplus funding from LB 1100 projects to complete this purchase.

Suspension of the 1% Depreciation Charge - Because of state budgetary problems, the Legislature suspended the requirement that we contribute 1% of the value of all new and newly renovated buildings to a depreciation fund. This has freed up over \$4 million of one-time funding to provide student financial aid and program of excellence funding.

Curtis Education Building - The Legislature fulfilled its commitment to provide debt service funding for a bond issue to build a new education building in Curtis valued at \$9.7 million. The first debt service payment will be in FY 2011 totaling \$803,000.

Major Issues Affecting UNL:

LB 110 - Changed the distribution of proceeds from Husker spirit plates. The original bill would have diverted all the funding to the highway trust fund. The bill as passed will allow us to complete endowing the scholarship program, and the academic support portion of the bill prior to

sending any of the funds to the highway trust fund.

LB 137 - This bill provided a technical change to Nebraska liquor laws by defining 10th Street in Lincoln as the western boundary of UNL. This will allow commercial development and university/business partnerships requiring a liquor license in the Haymarket area when the Sheldon project in the Haymarket occurs.

LB 145/430 - This bill amended the provision of statute regulating the possession of firearms on "school" property by clarifying that university property constitutes school property. The contents of LB 145 were added into LB 430.

LB 224 - Senator Carlson's bill clarified the legislation from last year providing for moving the State Fair to Grand Island and transferring the property where the Fair is currently held to the University.

LB 246 - A bill introduced by Senator Dubas provides for a study of the state's biotechnology industries.

LB 292 – This Uniform Law Commission model legislation will require the registration of individuals (i.e. sports agents) with the Secretary of State purporting to represent student athletes.

LB 403 - This legislation prohibits offering public benefits to undocumented immigrants and requires verifying the legal status of those who choose to apply for those benefits.

LB 440 - Because of the passage of Initiative 424, the current language of the minority scholarship was questioned. This bill eliminated references to specific types of diversity when the scholarship was to be awarded, specifically racial and ethnic diversity. Instead, the awarding committee will promote standards of diversity consistent with the Constitution.

LB 555 - Senator White sponsored this legislation that provides for a bonus research and development tax credit for research undertaken in conjunction with a college or university. The Nebraska R&D credit is currently 15% of the federal credit. With the passage of LB 555 any research done in partnership with universities will receive a 35% credit. We anticipate this could be an incentive for potential companies that want to locate at Nebraska Innovation Campus.

Given the limited availability of resources, and the challenges associated with a large number of new senators entering the Legislature due to term limits, we had a very good session. Thank you for your continued service to the University of Nebraska and particularly here at the Lincoln campus!

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