

LEGISLATURE OF NEBRASKA

SEVENTY-SEVENTH SESSION

Legislative Bill 736

Introduced by Terry Carpenter, 48th District; George Syas, 13th District; C. F. Moulton, 8th District; Richard F. Proud, 12th District; William R. Skarda, Jr., 7th District; Bill K. Bloom, 20th District; Edward R. Danner, 11th District; Florence B. Reynolds, 14th District; Dale L. Payne, 3rd District; Sam Klaver, 9th District; Harold D. Simpson, 46th District

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A BILL

FOR AN ACT relating to municipal universities in cities of the metropolitan class; to provide a procedure for the conveyance and transfer of certain property and certain money and funds of the municipal University of Omaha to the State of Nebraska; to provide that The Board of Regents of the University of Nebraska shall establish and operate a university at Omaha which shall be known as the University of Nebraska at Omaha under the control and management of The Board of Regents of the University of Nebraska on and after July 1, 1968; such transfer to be subject to the approval of the electors of the city of Omaha; to prescribe certain powers and duties of The Board of Regents of the university of Nebraska with respect to the administration and support of such university; to preserve the rights and privileges of faculty members and other employees; to create certain funds; to authorize agreements to carry out the provisions of the act; and to declare an emergency.

Section 1. As used in this act unless the con-
2 text otherwise requires:

3 (1) University Board shall mean the board of
4 regents of the municipal University of Omaha;

5 (2) State Board shall mean The Board of Regents
6 of the University of Nebraska;

7 (3) Campus property shall mean the real estate,
8 buildings, furnishings, fixtures, and equipment com-
9 prising the educational plant of the University of
10 Omaha; and

11 (10) Endowment property shall mean scholarship
12 funds, investment real estate, and the income from such
13 real estate and trust property and funds held in trust
14 for the benefit of the municipal University of Omaha.

Sec. 2. Within sixty days after the effective
2 date of this act the board of regents of the municipal
3 University of Omaha shall issue a proclamation calling
4 a special election for the purpose of voting on the
5 adoption by the electors of such city of the following
6 proposition: Shall the Board of Regents of the municipal
7 University of Omaha transfer and convey all the campus
8 property belonging to the municipal University of Omaha
9 to The Board of Regents of the University of Nebraska,
10 for the purpose of establishing a university to be known
11 as the University of Nebraska at Omaha, and to be under
12 the control and management of The Board of Regents of
13 the University of Nebraska, all as provided by Legislative
14 Bill 734 of the Seventy-Seventh Session, Nebraska
15 Legislature, 1967.

16 Such proclamation shall state that the election
17 is called in order to submit the above stated proposition
18 for adoption or rejection, and shall be signed by the
19 president and attested by the secretary of the university

Handwritten signature and scribbles

20 board, and published in a newspaper or newspapers
21 designated by the university board in general circu-
22 lation in the city of Omaha at least forty-five days
23 preceding such election. The proclamation shall con-
24 tain the complete text of this act. The election
25 shall be conducted by the election commissioner of
26 Douglas County, in the manner and form prescribed by
27 law and the cost thereof shall be paid by the municipal
28 University of Omaha. The election commissioner shall
29 certify the results of the canvass of such a election
30 to the president of the state board and the president
31 of the university board.

Sec. 3. If a majority of all the votes cast at
2 the election provided for in section 2 of this act shall
3 be in favor of the proposition submitted there shall
4 be established a university to be located in the city
5 of Omaha to be known as the University of Nebraska at
6 Omaha, under the control and management of, and to be
7 administered by, the state board from and after July 1,
8 1968.

Sec. 4. If such university is so established,
2 the state board shall, from and after July 1, 1968,
3 have the power to prescribe the standards for admission
4 of students and to fix students fees, the curriculum,
5 the degrees, and certificate programs.

Sec. 5. Upon the establishment of such univer-
2 sity, known as the University of Nebraska at Omaha,
3 the university board shall transfer and convey to the
4 state board all of the campus property owned by the
5 municipal University of Omaha, and all of the rights,
6 title or interest such municipal University of Omaha
7 may have or hereafter acquire in all campus property,
8 but the actual possession, control, and use of such
9 property shall be retained by the university board

10 until July 1, 1968, and on such date the state board
11 shall take actual possession and control thereof.
12 The instruments of transfer or conveyance shall be
13 executed by the president of the university board
14 for and in the name of the municipal University of
15 Omaha. Until July 1, 1968, the university board shall
16 be the governing board as provided by law for the
17 financing and government of the municipal University
18 of Omaha, and at the same time such university board
19 shall serve as liaison with the state board in prep-
20 aration for the transfer of financing and administration
21 of the municipal University of Omaha to the state board
22 on July 1, 1968.

Sec. 6. Prior to July 1, 1968, the university
2 board shall be responsible for the necessary buildings,
3 capital additions, and operating expenses. The univer-
4 sity board shall have authority in the year 1967 to
5 certify the tax levy authorized by section 14-1317,
6 Revised Statutes Supplement, 1965, the same being a
7 maximum levy of two mills on the dollar upon the
8 assessed valuation of all taxable property in such
9 city except intangible property, as authorized by vote
10 of the qualified electors of such city, and the pro-
11 ceeds of such levy so certified by the university
12 board to the city council of the city of Omaha and by
13 such council certified to the board of equalization of
14 Douglas County and levied by such county board shall
15 be used together with all prior levies for the purposes
16 authorized by such section.

Sec. 7. The state board shall accept the
2 transfers and conveyances of title of all campus property
3 of the municipal University of Omaha. All instruments
4 of conveyance of real estate shall be recorded in the
5 office of the register of deeds of the county in which

6 the real estate is located, and thereafter shall be
7 filed in the office of the Secretary of State by the
8 state board.

Sec. 8. On July 1, 1968, the university board
2 and the officers of the municipal University of Omaha
3 shall pay into the University of Nebraska at Omaha
4 Cash Fund created by section 11 of this act all un-
5 expended money and funds belonging to such university
6 and on hand on said date except endowment property.
7 Any tax money held by the county treasurer of Douglas
8 County as ex officio treasurer of such university after
9 that date from prior tax levies including the levy
10 provided in section 6 of this act shall be paid into
11 the University of Nebraska at Omaha Cash Fund.

Sec. 9. The chief administrative officer of
2 the University of Nebraska at Omaha shall be appointed
3 by the state board and shall hold his office at the
4 pleasure of such board and shall receive such compensa-
5 tion as such board may prescribe.

Sec. 10. On or before March 15, 1968, the univer-
2 sity board shall submit to the state board all recom-
3 mendations for the employment of faculty, officers,
4 employees, and other personnel to become effective on
5 or after July 1, 1968. On or before April 15, 1968,
6 the state board shall advise the university board of its
7 approval or modification of such list; *Provided*, that
8 all rights and privileges of existing faculty members
9 shall be fully protected. All officers, employees,
10 faculty, and other persons presently in the employ of
11 the municipal University of Omaha and who remain in the
12 employ of the University of Nebraska at Omaha shall not
13 be subject or eligible to membership in the state board
14 retirement system authorized and provided by section
15 85-106, Reissue Revised Statutes of Nebraska, 1943.

16 The insurance and retirement plans authorized by sections
17 14-1321 to 14-1326, Reissue Revised Statutes of Nebraska,
18 1943, as amended and in effect on the effective date of
19 this act shall be maintained by the state board for present
20 and future employees of the University of Nebraska at
21 Omaha.

Sec. 11. There is hereby created a University
2 of Nebraska at Omaha Cash Fund which shall consist of
3 all fees and other money collected from students at
4 the University of Nebraska at Omaha by authority of
5 the state board for university purposes, receipts from
6 all university activities at the University of Nebraska
7 at Omaha collected in connection with the operation of
8 such university, and the money and funds referred to
9 in section 8 of this act. A record shall be kept
10 separating such money and funds into appropriate and
11 convenient accounts. All money and funds accruing to
12 the cash fund when appropriated by the Legislature shall
13 be used for the maintenance and operation of the Univer-
14 sity of Nebraska at Omaha and shall at all times be
15 subject to the orders of the state board accordingly;
16 *Provided*, that (1) no warrant shall be issued against
17 such fund unless there is money sufficient to pay the
18 same, and (2) there may be retained at the University
19 of Nebraska at Omaha a sum not to exceed one hundred
20 thousand dollars out of such money to make settlement
21 and equitable adjustments to students entitled thereto,
22 to carry on university activities contributing to the
23 fund, and to provide for contingencies. On January 1,
24 1969, or as soon thereafter as possible, the Univer-
25 sity of Nebraska at Omaha Cash Fund shall be in the
26 custody of the State Treasurer; *Provided*, that in
27 making such transfer on or after January 1, 1969 the
28 state board may retain an amount out of such fund to

29 provide for remaining unpaid liabilities and expenses
30 of the Municipal University of Omaha.

31 There is also hereby created a University of Ne-
32 braska at Omaha Trust Fund which shall consist of all
33 property, real, or personal, now or hereafter acquired
34 by or for the municipal University of Omaha by donation
35 or bequest to it, which property shall be held and applied
36 in the manner and according with the provisions of the
37 will, deed, or instrument making such donation or be-
38 quest. All future donations or bequests to or for the
39 University of Nebraska at Omaha shall be a part of
40 such trust fund. On July 1, 1968, the university
41 board shall convey and transfer all of the endowment
42 property to such trust fund. Such trust fund shall
43 be held and managed in such manner as the state board
44 shall determine; *Provided*, that such holdings and
45 management shall be in strict accordance with all terms
46 of the donation or bequest, but in the absence of any
47 investment instructions the funds may be invested by
48 or at the direction of the state board in such in-
49 vestments as are authorized for trustees, guardians,
50 executors or administrators under the laws of Nebraska.

Sec. 12. After the effective date of this act,
2 the state board and the university board may enter into
3 such agreements as may be necessary and appropriate to
4 carry out the provisions of this act, for the conveyance
5 and transfer of the properties provided under the
6 provisions of this act, and provide for an orderly
7 transition and assumption by the state board of the
8 activities and operations of such University at Omaha.

Sec. 13. Chapter 85, articles 1, 4, and 5,
2 Reissue Revised Statutes of Nebraska, 1943, as amended,
3 relating to the state board and the University of

4 Nebraska, shall be applicable to the University of
5 Nebraska at Omaha except as modified or limited by
6 provisions of this act, and Chapter 14, article 13,
7 Reissue Revised Statutes of Nebraska, 1943, as amended,
8 shall remain in full force and effect except as in
9 this act modified.

Sec. 14. If any word, clause, sentence, para-
2 graph, or part of this act shall, for any reason, be
3 adjudged by any court of competent jurisdiction to be
4 invalid, ineffective, or unconstitutional either by
5 itself or in its application to a particular person or
6 activity, such judgment shall not affect, impair, or
7 invalidate the remainder of this act but shall be
8 confined in its operation to the word, clause, sentence,
9 paragraph, or part thereof, directly involved in the
10 controversy in which judgment has been rendered, and
11 the remaining provisions of this act shall remain in
12 full force and effect.

Sec. 15. Since an emergency exists, this act
2 shall be in full force and take effect, from and
3 after its passage and approval, according to law.

Tiemann Signs NU-OU Merger Bill

Gov. Norbert Tiemann Thursday signed legislation proposing merger of the University of Omaha as a campus of the University of Nebraska.

The merger will take effect July 1, 1968, if Omaha voters approve it at a special election, probably this winter.

Eleven state senators and officials of the two institutions participated in the signing ceremony.

Tiemann said the Legislature should be "complimented and congratulated" for taking the step "toward academic excellence."

Great Debt

Robert Spire, president of the OU Board of Regents, responded that "all of us are in great debt to the Legislature and the governor."

NU Vice Chancellor Joseph Sosnik said the merger should lead to "a better combined university, rather than just a larger one."

NU Regent Ben Greenberg of York said the merger will provide "an unusual opportunity for the advancement of education in Nebraska."

OU is "honored and privileged to become a part of this educational movement," Acting President Kirk Naylor said.

Hope For Approval

Two Omaha senators, Sam Klaver and Florence Reynolds, expressed the hope that the voters of Omaha will approve the merger.

The merger bill, LB736, becomes law three calendar months after the 1967 Legislature adjourns. OU regents are empowered to call a special election within 60 days after the bill takes effect.

While Tiemann was signing LB736, legislators were giving first round approval to a bill under which regents of the University of Omaha would be elected by Omaha citizens instead of being appointed by the Omaha Board of Education.

The bill, LB512, would have significance only if Omaha voters reject the university merger.

The regents-election bill, LB512, was sponsored by Omaha Sens. Henry F. Pedersen

Pedersen, a foe of the university merger bill, told newsmen the fact that Omahans have never been allowed to elect the municipal university's regents has been one of the causes of the university's problems.