

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 998**

FINAL READING

Introduced by Conrad, 46.

Read first time January 05, 2024

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to state government; to amend sections  
2 12-1301, 81-176, and 81-1108.33, Reissue Revised Statutes of  
3 Nebraska, and section 81-1213.04, Revised Statutes Supplement, 2023;  
4 to adopt the State Acceptance of Gifts Act; to change and eliminate  
5 provisions relating to acceptance of gifts; to harmonize provisions;  
6 to provide an operative date; to repeal the original sections; and  
7 to outright repeal sections 30-241, 30-242, and 30-243, Reissue  
8 Revised Statutes of Nebraska.

9 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 7 of this act shall be known and may be  
2 cited as the State Acceptance of Gifts Act.

3           Sec. 2. The purpose of the State Acceptance of Gifts Act is to  
4 provide a procedure for accepting proposed gifts to the state so that the  
5 state does not assume responsibility for excessive costs or unnecessary  
6 obligations relating to such gifts.

7           Sec. 3. For purposes of the State Acceptance of Gifts Act:

8           (1) Donor means (a) an individual, trustee, personal representative,  
9 or other legal representative of an individual or an organization, (b)  
10 any organization, corporation, foundation, or other entity, and (c) a  
11 nonfederal governmental agency;

12           (2) Gift means a voluntary transfer by any means, including a grant,  
13 bequest, or devise, of real property or tangible or intangible personal  
14 property, including money, by a donor to a state agency without full  
15 compensation;

16           (3) Real property means any estate or interest in land, including  
17 all buildings, fixtures, and improvements thereon and all rights-of-way,  
18 easements, rents, issues, profits, income, tenements, hereditaments,  
19 privileges, and appurtenances thereunto belonging, used, or enjoyed with  
20 such land, or any part thereof, except leases for a term not exceeding  
21 one year; and

22           (4) State agency means any agency, board, or commission of this  
23 state, excluding (a) the University of Nebraska, (b) the Nebraska state  
24 colleges, and (c) any agency, board, or commission of this state with  
25 statutory authority to accept gifts, to the extent of the authority  
26 granted.

27           Sec. 4. (1) Any gift made available to the State of Nebraska for  
28 any purpose or purposes, together with the income from such gift, shall  
29 be allocated to the state agency designated by the donor or, if no state  
30 agency is designated by the donor, shall be used in accordance with  
31 Article VII, section 9, of the Constitution of Nebraska.

1        (2) Acceptance of a gift shall be subject to approval by the  
2 receiving state agency and any additional requirements provided in the  
3 State Acceptance of Gifts Act. A gift accepted subject to terms or  
4 conditions shall be held subject to those terms or conditions.

5        Sec. 5. Section 81-1108.33, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7        ~~81-1108.33 (1) It is the intent of the Legislature that the state~~  
8 ~~will not assume responsibility for the substandard construction, repair,~~  
9 ~~or maintenance of, or for the excessive maintenance or repair costs for,~~  
10 ~~real property, structures, or improvements which will be made available~~  
11 ~~by gift, bequest, or devise to any state agency, board, or commission or~~  
12 ~~real property or structures acquired by any state agency, board, or~~  
13 ~~commission with the proceeds of donations, gifts, bequests, devises, or~~  
14 ~~grants from individuals, organizations, corporations, foundations, or~~  
15 ~~similar entities or from nonfederal governmental agencies. Therefor, any~~  
16 ~~such gift, bequest, devise, or acquisition of such real property,~~  
17 ~~structure, or improvement shall be reviewed and approved as provided in~~  
18 ~~this section as a requirement for acceptance or acquisition by the state~~  
19 ~~of such real property, structure, or improvement.~~

20        (1) (2)(a) Any gift of, bequest of, or devise of real property with  
21 a value in excess of two hundred fifty thousand dollars which is , a  
22 structure, or an improvement proposed to be made to a available to any  
23 state agency, board, or commission in excess of ten thousand dollars and  
24 any acquisition of real property which will be made by a state agency  
25 using gifts of money, if the combined total of such gifts of money  
26 exceeds or structures with the proceeds of donations, gifts, bequests,  
27 devises, or grants from individuals, organizations, corporations,  
28 foundations, or similar entities or from nonfederal governmental  
29 agencies, if the combined proceeds of such donations, gifts, bequests,  
30 devises, or grants exceed two hundred fifty thousand dollars, shall be  
31 reviewed by the state building division and the Task Force for Building

1 Renewal pursuant to sections 81-176, 81-1108.15, and 81-1114. Such review  
2 shall include any potential matching of state funds, any plans,  
3 specifications, and other construction or repair documents, and any  
4 potential maintenance requirements ~~as a condition of acceptance or~~  
5 ~~acquisition~~. Subsequent to such review, the state building division and  
6 the task force shall submit a report to the Governor, the Committee on  
7 Building Maintenance, and the Legislative Fiscal Analyst. The report  
8 shall include ~~including~~ a summary of the review of the plans,  
9 specifications, and other construction or repair documents and potential  
10 maintenance requirements, shall outline ~~and outlining~~ the terms and  
11 conditions of the proposed gift, ~~bequest, devise,~~ or acquisition, and  
12 shall include a ~~along with its~~ recommendation. The report submitted to  
13 the committee and the Legislative Fiscal Analyst shall be submitted  
14 electronically.

15 ~~(b)(i) Any proposed gift of, bequest of, or devise of real property,~~  
16 ~~a structure, or an improvement in excess of ten thousand dollars shall be~~  
17 ~~approved by the Governor and the Legislature prior to acceptance.~~

18 ~~(ii) Any acquisition of real property or structures with the~~  
19 ~~proceeds of donations, gifts, bequests, devises, or grants from~~  
20 ~~individuals, organizations, corporations, foundations, or similar~~  
21 ~~entities or from nonfederal governmental agencies, if the combined~~  
22 ~~proceeds of such donations, gifts, bequests, devises, or grants exceed~~  
23 ~~two hundred fifty thousand dollars, shall be approved by the Governor and~~  
24 ~~Legislature prior to such acquisition.~~

25 (2) Any gift of real property or acquisition of real property that  
26 is subject to review under subsection (1) of this section shall be  
27 approved by the Governor and the Legislature prior to acceptance or  
28 acquisition. ~~(iii)~~ If the Legislature is not in session, the Executive  
29 Board of the Legislative Council, after recommendation by the Committee  
30 on Building Maintenance, may approve such gift, ~~bequest, devise,~~ or  
31 acquisition along with the Governor.

1           ~~(3) (e)~~ No construction, repair, maintenance, or other work related  
2 to the proposed gift, ~~bequest, devise,~~ or acquisition shall be initiated  
3 prior to receiving the review and approval required by this section.

4           ~~(4) If an acquisition of real property has been approved pursuant to~~  
5 ~~this section, gifts of tangible or intangible personal property or money~~  
6 ~~funding the acquisition, in whole or in part, do not require approval~~  
7 ~~pursuant to sections 6 and 7 of this act.~~

8           ~~(3) For purposes of this section, gift of, bequest of, or devise of~~  
9 ~~(a) real property, (b) a structure, or (c) an improvement shall include,~~  
10 ~~but not be limited to, a donation of, gift of, bequest of, devise of, or~~  
11 ~~grant of (i) real property, (ii) a structure, or (iii) an improvement~~  
12 ~~from an individual, an organization, a corporation, a foundation, or a~~  
13 ~~similar entity or from a nonfederal governmental agency. For purposes of~~  
14 ~~this section, gift, bequest, or devise shall not include a donation,~~  
15 ~~gift, bequest, devise, or grant of tangible or intangible personal~~  
16 ~~property.~~

17           ~~(4) This section shall not apply to the University of Nebraska or~~  
18 ~~any Nebraska state college, since these agencies are subject to and~~  
19 ~~participate in statewide facilities planning developed by the~~  
20 ~~Coordinating Commission for Postsecondary Education pursuant to the~~  
21 ~~Coordinating Commission for Postsecondary Education Act.~~

22           Sec. 6. Any gift of tangible or intangible personal property with a  
23 fair market value of more than ten thousand dollars, except money, shall  
24 be approved by the Governor prior to acceptance, except that such  
25 approval shall not be required for gifts of tangible or intangible  
26 personal property described in subsection (4) of section 5 of this act.

27           Sec. 7. (1) Any gift of money in excess of ten thousand dollars  
28 shall be approved by the Governor prior to acceptance, except that such  
29 approval shall not be required for:

30           (a) Gifts of money described in subsection (4) of section 5 of this  
31 act; or

1       (b) Gifts of money that are being made for the purpose of providing  
2 matching funds required by state or federal law.

3       (2) At the discretion of the budget administrator of the budget  
4 division of the Department of Administrative Services and the Accounting  
5 Administrator of the Department of Administrative Services, expenditures  
6 of funds from any gift of money may be made through any existing cash  
7 fund, revolving fund, or trust fund. If an appropriate fund does not  
8 exist, the Accounting Administrator may create a fund as provided in  
9 section 81-1111.04.

10       Sec. 8. Section 12-1301, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12       12-1301 (1)(a) The Director of Veterans' Affairs shall establish and  
13 operate a state veteran cemetery system. The system shall consist of a  
14 facility in the city of Grand Island, subject to subdivision (b) of this  
15 subsection, and may include a facility in Box Butte County. The director  
16 may seek and expend private, state, and federal funds for the  
17 establishment, construction, maintenance, administration, and operation  
18 of the cemetery system as provided in this section. Any gift, bequest, or  
19 devise of real property and any acquisition of real property with the  
20 proceeds of a donation, gift, bequest, devise, or grant from an  
21 individual, an organization, a corporation, a foundation, or a similar  
22 entity or from a nonfederal governmental agency for the cemetery system  
23 shall be subject to the approval requirements of section 5 of this act  
24 ~~81-1108.33~~ notwithstanding the value of the real property. All funds  
25 received for the construction of the cemetery system shall be remitted to  
26 the State Treasurer for credit to the Veteran Cemetery Construction Fund.  
27 Any funds remaining in the Veteran Cemetery Construction Fund following  
28 the completion of construction of the facilities comprising the state  
29 veteran cemetery system shall upon such completion be transferred to the  
30 Nebraska Veteran Cemetery System Endowment Fund, and the Veteran Cemetery  
31 Construction Fund shall thereafter terminate.

1 (b) Beginning on August 7, 2020, the Director of Veterans' Affairs  
2 shall negotiate with the city of Grand Island to acquire an exclusive  
3 option for the transfer of title to the former Nebraska Veterans'  
4 Memorial Cemetery in the city of Grand Island and land adjacent to the  
5 cemetery, as identified in the required program statement, owned by the  
6 city of Grand Island. After being granted funding assistance from the  
7 National Cemetery Administration, the director shall accept from the city  
8 of Grand Island, at no cost, title to the real estate described in this  
9 subdivision in order to establish a state cemetery for veterans. The  
10 director shall prepare an initial program statement and make a request to  
11 the Legislature for funding as required by section 81-1108.41. The  
12 expenses of the initial program statement shall be paid from the Nebraska  
13 Veteran Cemetery System Operation Fund.

14 (2)(a) A trust fund to be known as the Nebraska Veteran Cemetery  
15 System Endowment Fund is hereby created. The fund shall consist of:

16 (i) Gifts, bequests, grants, or contributions from private or public  
17 sources designated for the maintenance, administration, or operation of  
18 the state veteran cemetery system;

19 (ii) Any funds transferred from the Veteran Cemetery Construction  
20 Fund following the completion of construction of the three facilities  
21 comprising the state veteran cemetery system; and

22 (iii) Following the termination of the Veteran Cemetery Construction  
23 Fund, any funds received by the state from any source for the state  
24 veteran cemetery system.

25 (b) No revenue from the General Fund shall be remitted to the  
26 Nebraska Veteran Cemetery System Endowment Fund. The Legislature shall  
27 not appropriate or transfer money from the Nebraska Veteran Cemetery  
28 System Endowment Fund for any purpose other than as provided in this  
29 section. Any money in the Nebraska Veteran Cemetery System Endowment Fund  
30 available for investment shall be invested by the state investment  
31 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska

1 State Funds Investment Act. No portion of the principal of the Nebraska  
2 Veteran Cemetery System Endowment Fund shall be expended for any purpose  
3 except investment pursuant to this subdivision. All investment earnings  
4 from the Nebraska Veteran Cemetery System Endowment Fund shall be  
5 credited on a quarterly basis to the Nebraska Veteran Cemetery System  
6 Operation Fund.

7 (3) There is hereby created the Nebraska Veteran Cemetery System  
8 Operation Fund. Money in the fund shall be used for the operation,  
9 administration, and maintenance of the state veteran cemetery system. The  
10 fund may be used for the expenses of the initial program statement under  
11 subdivision (1)(b) of this section. Any money in the fund available for  
12 investment shall be invested by the state investment officer pursuant to  
13 the Nebraska Capital Expansion Act and the Nebraska State Funds  
14 Investment Act.

15 (4) The Director of Veterans' Affairs may make formal application to  
16 the federal government regarding federal financial assistance for the  
17 construction of any of the facilities comprising the state veteran  
18 cemetery system which is located in a county with a population of less  
19 than one hundred thousand persons when he or she determines that the  
20 requirements for such assistance have been met.

21 (5) The director may make formal application to the federal  
22 government regarding financial assistance for the construction of any  
23 facility comprising a portion of the state veteran cemetery system  
24 located in a county with a population of more than one hundred thousand  
25 persons when sufficient funds have been remitted to the Nebraska Veteran  
26 Cemetery System Endowment Fund such that (a) the projected annual  
27 earnings from such fund available for transfer to the Nebraska Veteran  
28 Cemetery System Operation Fund plus (b) the projected annual value of  
29 formal agreements that have been entered into between the state and any  
30 political subdivisions or private entities to subsidize or undertake the  
31 operation, administration, or maintenance of any of the facilities within



1 the state veteran cemetery system, has a value that is sufficient to fund  
2 the operation, administration, and maintenance of any cemetery created  
3 pursuant to this subsection.

4 (6) The director may expend such funds as may be available for any  
5 of the purposes authorized in this section.

6 (7) The director, with the approval of the Governor, may enter into  
7 agreements for cemetery construction, administration, operation, or  
8 maintenance with qualified persons, political subdivisions, or business  
9 entities. The director shall provide lots in the cemetery system for the  
10 interment of deceased veterans as defined by the National Cemetery  
11 Administration of the United States Department of Veterans Affairs. The  
12 director shall provide lots for the interment of those veterans' spouses,  
13 minor children, and unmarried adult children who were physically or  
14 mentally disabled and incapable of self-support. Section 12-501 does not  
15 apply to the state veteran cemetery system.

16 (8) The Veteran Cemetery Construction Fund is created. Any money in  
17 the fund available for investment shall be invested by the state  
18 investment officer pursuant to the Nebraska Capital Expansion Act and the  
19 Nebraska State Funds Investment Act.

20 (9) The director may adopt and promulgate rules and regulations to  
21 carry out this section. The rules and regulations shall include  
22 requirements for proof of residency, cost of burial if any, and standards  
23 for cemeteries, including decorations and headstones.

24 Sec. 9. Section 81-176, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 81-176 The task force shall conduct a review of the plans,  
27 specifications, and other construction and repair documents and ongoing  
28 maintenance requirements for real property, ~~structures, or improvements~~  
29 that may be proposed to be made available to any state agency, ~~board, or~~  
30 ~~commission~~ by means of gift, ~~bequest, or devise~~ and any acquisition of  
31 real property ~~or structures~~ by any state agency using gifts of money ;

1 ~~board, or commission with the proceeds of donations, gifts, bequests,~~  
2 ~~devises, or grants from individuals, organizations, corporations,~~  
3 ~~foundations, or similar entities or from nonfederal governmental~~  
4 ~~agencies, if the combined proceeds of such donations, gifts, bequests,~~  
5 ~~devises, or grants exceed two hundred fifty thousand dollars, pursuant to~~  
6 ~~section 5 of this act 81-1108.33.~~ The task force shall submit a report of  
7 its findings and recommendations to the Committee on Building  
8 Maintenance. For purposes of this section, the terms gift and state  
9 agency have the same meanings as in section 3 of this act.

10 Sec. 10. Section 81-1213.04, Revised Statutes Supplement, 2023, is  
11 amended to read:

12 81-1213.04 (1) For purposes of this section:

13 (a) Department means the Department of Economic Development;

14 (b) Director means the Director of Economic Development;

15 (c) Eligible grantee means a nonprofit organization holding a  
16 certificate of exemption under section 501(c)(3) of the Internal Revenue  
17 Code of 1986; and

18 (d) Eligible location means a location on or contiguous to the  
19 location of a youth outdoor education camp that is located west of the  
20 one hundredth meridian where youth outdoor education camp facilities were  
21 destroyed by a natural or manmade disaster that occurred after January 1,  
22 2022.

23 (2)(a) An eligible grantee may apply to the department for a grant  
24 for ten million dollars for the uses described in subsection (4) of this  
25 section at an eligible location.

26 (b) The department shall award one grant for ten million dollars to  
27 an eligible grantee if:

28 (i) The eligible grantee completes a feasibility study for the  
29 intended use of the grant and presents such completed feasibility study  
30 to the director on or before June 30, 2024; and

31 (ii) The director finds that the results of the completed

1 feasibility study demonstrate the viability of the project and approves  
2 such completed feasibility study.

3 (3) The grantee shall receive grant money on a dollar-for-dollar  
4 matching basis from the department, which may be released in multiple  
5 stages, at any time within ten years after being awarded the grant, if  
6 the applicant provides documentation to the department that matching  
7 funds have been received in the amount requested for release and that the  
8 grant money is being used to complete the project in conformity with the  
9 approved feasibility study. At the end of the ten-year allowable grant  
10 period, if any grant money was not spent in conformity with the approved  
11 feasibility study or if any unmatched grant money was erroneously awarded  
12 to the grantee, the grantee shall remit such grant money to the State  
13 Treasurer for credit to the Youth Outdoor Education Innovation Fund. The  
14 matching funds may include any money, real estate subject to section 5 of  
15 this act ~~81-1108.33~~, in-kind donation, private or public grant, gift,  
16 endowment raised to sustain the uses described in subsection (4) of this  
17 section, expense for a feasibility study, or planning cost.

18 (4) The grant may be used to pay for:

19 (a) Construction of physical structures;

20 (b) Construction of year-round facilities, including lodging,  
21 conference, and meeting facilities, and related infrastructure, to  
22 generate local and regional economic development;

23 (c) Equipment that will be used for construction and maintenance of  
24 physical structures, facilities, and infrastructure described in this  
25 subsection; and

26 (d) Infrastructure necessary to ensure accessibility to the physical  
27 structures and facilities by the public.

28 (5) The department may adopt and promulgate rules and regulations to  
29 carry out this section.

30 Sec. 11. This act becomes operative on July 1, 2025.

31 Sec. 12. Original sections 12-1301, 81-176, and 81-1108.33, Reissue

1 Revised Statutes of Nebraska, and section 81-1213.04, Revised Statutes  
2 Supplement, 2023, are repealed.

3 Sec. 13. The following sections are outright repealed: Sections  
4 30-241, 30-242, and 30-243, Reissue Revised Statutes of Nebraska.