

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 961

FINAL READING

Introduced by Speaker Flood, 19; Pahls, 31; at the request of the Governor.

Read first time January 15, 2008

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state funds; to amend section 54-857,
2 Reissue Revised Statutes of Nebraska, sections 2-958.01,
3 29-3921, and 84-510, Revised Statutes Cumulative
4 Supplement, 2006, sections 71-7608 and 81-3119, Revised
5 Statutes Supplement, 2007, Laws 2007, LB 321, section
6 281, and section 71-7611, Revised Statutes Supplement,
7 2007, as amended by section 2, Legislative Bill 480, One
8 Hundredth Legislature, Second Session, 2008; to provide
9 for and change amounts of transfers of funds; to provide
10 for a study; to change authorized use of certain funds;
11 to change allocation provisions for the Nebraska Tobacco
12 Settlement Trust Fund; to prohibit the pledge of certain

LB 961

LB 961

1 funds for bond repayment; to provide operative dates;
2 to repeal the original sections; and to declare an
3 emergency.
4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2-958.01, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 2-958.01 The Noxious Weed and Invasive Plant Species
4 Assistance Fund is created. The fund may be used to carry out
5 the purposes of section 2-958.02. The State Treasurer shall credit
6 to the fund ~~any money~~ any funds transferred pursuant to section
7 54-857, funds appropriated to the fund by the Legislature, ~~and any~~
8 ~~money~~ funds received as gifts or grants or other private or public
9 funds obtained for the purposes set forth in section 2-958.02. Any
10 money in the fund available for investment shall be invested by the
11 state investment officer pursuant to the Nebraska Capital Expansion
12 Act and the Nebraska State Funds Investment Act.

13 Sec. 2. Section 29-3921, Revised Statutes Cumulative
14 Supplement, 2006, is amended to read:

15 29-3921 The Commission on Public Advocacy Operations Cash
16 Fund is created. The fund shall be used for the operations of
17 the commission. The fund shall consist of money remitted pursuant
18 to section 33-156. It is the intent of the Legislature that
19 the commission shall be funded solely from the fund. Any money
20 in the fund available for investment shall be invested by the
21 state investment officer pursuant to the Nebraska Capital Expansion
22 Act and the Nebraska State Funds Investment Act. ~~Any money in~~
23 ~~the County Revenue Assistance Fund on April 19, 2002, shall be~~
24 ~~transferred to the Commission on Public Advocacy Operations Cash~~
25 ~~Fund.~~

1 The State Treasurer shall transfer two hundred fifty
2 thousand dollars from the Commission on Public Advocacy Operations
3 Cash Fund to the University Cash Fund within fifteen days after
4 May 1, 2008. Such funds shall be used for a study of the
5 juvenile legal defense and guardian ad litem systems utilizing
6 the University of Nebraska Public Policy Center to create,
7 administer, and review a Request for Proposals to select from
8 a national search a research consultant that is qualified to
9 provide a methodologically sound and objective assessment of
10 Nebraska's juvenile justice system. The assessment shall include:
11 (1) Gathering of general data and information about the structure
12 and funding mechanisms for juvenile legal defense and guardian ad
13 litem representation; (2) a review of caseloads; (3) examining
14 issues related to the timing of appointment of counsel and
15 guardians ad litem; (4) supervision of attorneys; (5) charging
16 and trying juveniles as adults; (6) frequency with which juveniles
17 wave their right to counsel and under what conditions they do
18 so; (7) allocation of resources; (8) adequacy of juvenile court
19 facilities; (9) compensation of attorneys; (10) supervising and
20 training of attorneys; (11) access to investigators, experts,
21 social workers, and support staff; (12) access to educational
22 officers, teachers, educational staff, and truancy officers; (13)
23 the relationship between a guardian ad litem, a juvenile's legal
24 counsel, and the judicial system with identified educational
25 staff regarding a juvenile's educational status; (14) examining

1 issues related to truancy and the relationship between the school
2 districts and the juvenile court system; (15) recidivism; (16) time
3 to permanency and time in court, especially when a guardian ad
4 litem is appointed; and (17) coordination of representation for
5 those juveniles that may have been appointed an attorney in a
6 juvenile delinquency matter and a guardian ad litem because of
7 abuse or neglect. The assessment shall also highlight promising
8 approaches and innovative practices within the state and offer
9 recommendations to improve weak areas.

10 Sec. 3. Section 54-857, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 54-857 All money received pursuant to the Commercial Feed
13 Act shall be remitted by the director to the State Treasurer for
14 credit to the Commercial Feed Administration Cash Fund which is
15 hereby created. Such fund shall be used by the department to aid
16 in defraying the expenses of administering the act. 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
19 and the Nebraska State Funds Investment Act.

20 On or before October 1, 2008, the State Treasurer shall
21 transfer two hundred fifty thousand dollars from the Commercial
22 Feed Administration Cash Fund to the Noxious Weed and Invasive
23 Plant Species Assistance Fund.

24 Sec. 4. Section 71-7608, Revised Statutes Supplement,
25 2007, is amended to read:

1 71-7608 The Nebraska Tobacco Settlement Trust Fund is
2 created. The fund shall include any settlement payments or other
3 revenue received by the State of Nebraska in connection with any
4 tobacco-related litigation to which the State of Nebraska is a
5 party. The Department of Health and Human Services shall remit
6 such revenue to the State Treasurer for credit to the fund, except
7 that of such revenue received on or after April 1, 2005, (1) two
8 million five hundred thousand dollars shall be credited annually
9 for fiscal years before FY2009-10 and (2) three million dollars
10 shall be credited for FY2009-10 and subsequent fiscal years to
11 the Tobacco Prevention and Control Cash Fund. For FY2008-09 five
12 hundred thousand dollars shall be transferred from the Nebraska
13 Tobacco Settlement Trust Fund to the Tobacco Prevention and Control
14 Cash Fund. The State Treasurer shall make such transfer no later
15 than July 15, 2008. Subject to the terms and conditions of such
16 litigation, money from the Nebraska Tobacco Settlement Trust Fund
17 shall be transferred to the Nebraska Health Care Cash Fund as
18 provided in section 71-7611. Any money in the Nebraska Tobacco
19 Settlement Trust Fund available for investment shall be invested
20 by the state investment officer pursuant to the Nebraska Capital
21 Expansion Act and the Nebraska State Funds Investment Act.

22 Sec. 5. Section 71-7611, Revised Statutes Supplement,
23 2007, as amended by section 2, Legislative Bill 480, One Hundredth
24 Legislature, Second Session, 2008, is amended to read:

25 71-7611 (1) The Nebraska Health Care Cash Fund is

1 created. The State Treasurer shall transfer fifty-five million
2 seven hundred thousand dollars annually no later than July 15
3 from the Nebraska Medicaid Intergovernmental Trust Fund and the
4 Nebraska Tobacco Settlement Trust Fund to the Nebraska Health Care
5 Cash Fund, except that such amount shall be reduced by the amount
6 of the unobligated balance in the Nebraska Health Care Cash Fund
7 at the time the transfer is made. On or before May 1, 2008,
8 the State Treasurer shall transfer from the Nebraska Medicaid
9 Intergovernmental Trust Fund and the Nebraska Tobacco Settlement
10 Trust Fund an additional two hundred fifty thousand dollars to the
11 Nebraska Health Care Cash Fund. The state investment officer upon
12 consultation with the Nebraska Investment Council shall advise the
13 State Treasurer on the amounts to be transferred from the Nebraska
14 Medicaid Intergovernmental Trust Fund and from the Nebraska Tobacco
15 Settlement Trust Fund under this section in order to sustain such
16 transfers in perpetuity. The state investment officer shall report
17 to the Legislature on or before October 1 of every even-numbered
18 year on the sustainability of such transfers. Except as otherwise
19 provided by law, no more than fifty-five million seven hundred
20 thousand dollars may be appropriated or transferred from the
21 Nebraska Health Care Cash Fund in any fiscal year.

22 (2) Any money in the Nebraska Health Care Cash Fund
23 available for investment shall be invested by the state investment
24 officer pursuant to the Nebraska Capital Expansion Act and the
25 Nebraska State Funds Investment Act.

1 (3) One million dollars in the Nebraska Health Care Cash
2 Fund is designated each year for the Autism Treatment Program
3 Act for five fiscal years beginning in fiscal year 2007-08 and
4 shall be distributed in each fiscal year as follows: (a) First,
5 to the Department of Health and Human Services for costs related
6 to application and implementation of the waiver; (b) second, to
7 the department for other medical costs for children who would
8 not otherwise qualify for medicaid except for the waiver; and (c)
9 third, the balance to the Autism Treatment Program Cash Fund. The
10 State Treasurer shall transfer the balance of the funding to the
11 Autism Treatment Program Cash Fund based on the estimated costs
12 of administrative and other medical costs as determined by the
13 Legislature through the appropriation process. The transfers to
14 the Autism Treatment Program Cash Fund in any fiscal year shall
15 be contingent upon the receipt of private matching funds under
16 the Autism Treatment Program Act, with no less than one dollar of
17 private funds received for every two dollars transferred from the
18 Nebraska Health Care Cash Fund to the Autism Treatment Program Cash
19 Fund.

20 (4) The University of Nebraska and postsecondary
21 educational institutions having colleges of medicine in Nebraska
22 and their affiliated research hospitals in Nebraska, as a condition
23 of receiving any funds appropriated or transferred from the
24 Nebraska Health Care Cash Fund, shall not discriminate against any
25 person on the basis of sexual orientation.

1 (5) The State Treasurer shall transfer two hundred
2 thousand dollars from the Nebraska Health Care Cash Fund to the
3 University of Nebraska Medical Center Cash Fund for the Nebraska
4 Regional Poison Center within fifteen days after each July 1.

5 Sec. 6. Section 81-3119, Revised Statutes Supplement,
6 2007, is amended to read:

7 81-3119 The Health and Human Services Cash Fund is
8 created and shall consist of funds from contracts, grants, gifts,
9 or fees. Any money in the Department of Health and Human Services
10 Cash Fund, the Department of Health and Human Services Finance
11 and Support Cash Fund, and the Department of Health and Human
12 Services Regulation and Licensure Cash Fund on July 1, 2007, shall
13 be transferred to the Health and Human Services Cash Fund. On or
14 before July 15, 2008, one million dollars shall be transferred
15 from the Health and Human Services Cash Fund to the Rural Health
16 Professional Incentive Fund. Any money in the ~~fund~~ Health and
17 Human Services Cash Fund available for investment shall be invested
18 by the state investment officer pursuant to the Nebraska Capital
19 Expansion Act and the Nebraska State Funds Investment Act.

20 Sec. 7. Section 84-510, Revised Statutes Cumulative
21 Supplement, 2006, is amended to read:

22 84-510 The Corporation Cash Fund is created. Transfers
23 from the fund to the Election Administration Fund may be made at
24 the direction of the Legislature. ~~On or before May 1, 2003,~~ Within
25 five days after the operative date of this section, the State

1 Treasurer shall transfer ~~two hundred sixty thousand~~ thirty-five
2 thousand seven hundred ninety-five dollars from the Corporation
3 Cash Fund to the Election Administration Fund. Any money in the
4 Corporation Cash Fund available for investment shall be invested
5 by the state investment officer pursuant to the Nebraska Capital
6 Expansion Act and the Nebraska State Funds Investment Act.

7 Sec. 8. Laws 2007, LB 321, section 281, is amended to
8 read:

9 Sec. 281. FUND LAPSES AND TRANSFERS.

10 The State Treasurer shall make the transfers specified
11 in this section between funds, in the amounts indicated. Unless
12 otherwise noted, transfers for FY2007-08 shall occur on July
13 1, 2007, or as soon thereafter as administratively possible,
14 and transfers for FY2008-09 shall occur on July 1, 2008, or as
15 soon thereafter as administratively possible. All agencies with
16 administrative responsibilities for these funds shall assist the
17 State Treasurer as needed in implementing the transfers.

18 (1) Transfers for FY2007-08 shall include:

19 (a) From the General Fund to the Nebraska State Patrol
20 Cash Fund: \$115,000 less the unexpended balance existing on June
21 30, 2007, in (i) the Nebraska State Patrol Cash Fund, (ii)
22 the Investigation Petty Cash Fund, (iii) any special checking
23 account or accounts used by the Nebraska State Patrol, and (iv)
24 the possession of agency personnel involved in investigations,
25 when the unexpended balances resulted from General Fund transfers

1 to the Nebraska State Patrol Cash Fund or from General Fund
2 appropriations. Any transfers made shall be subject to a final
3 reconciliation of available investigation cash fund balances as of
4 June 30, 2007, by the Nebraska State Patrol.

5 It is the intent of the Legislature that the Nebraska
6 State Patrol have available a total of \$115,000 from the General
7 Fund for FY2007-08 to be used in making drug purchases, for
8 enforcing Nebraska laws relating to felonies, for enforcing the
9 Nebraska liquor laws, and for payment of investigative expenses;

10 (b) From the Tobacco Products Administration Cash Fund to
11 the General Fund: \$-0- on or before June 15, 2008, on such date as
12 directed by the budget administrator;

13 (c) From the Securities Act Cash Fund to the General
14 Fund: \$7,500,000 on or before September 30, 2007, and \$3,500,000 on
15 or before March 31, 2008, on such dates as directed by the budget
16 administrator;

17 (d) From the ~~Department of~~ Health and Human Services Cash
18 Fund to the University of Nebraska Eppley Institute for Research in
19 Cancer and Allied Diseases Cash Fund: \$500,000, pursuant to Laws
20 1983, LB 192, section 2;

21 (e) From the Department of Insurance Cash Fund to the
22 General Fund: \$1,500,000 on or before September 30, 2007, and
23 \$1,500,000 on or before March 31, 2008, on such dates as directed
24 by the budget administrator;

25 (f) From the Roads Operations Cash Fund to the Carrier

1 Enforcement Cash Fund: \$6,757,436 less the June 30, 2007,
2 unobligated Carrier Enforcement Cash Fund balance. Transfers shall
3 be made in four equal quarterly amounts on or before July 15,
4 October 15, January 15, and April 15;

5 (g) From the Petroleum Release Remedial Action Cash Fund
6 to the Underground Storage Tank Fund: \$50,000 on or before July 5,
7 2007;

8 (h) From the State Building Revolving Fund to the Capitol
9 Security Revolving Fund: \$507,950. Transfers shall be made in four
10 equal quarterly amounts on or before July 15, October 15, January
11 15, and April 15.

12 Transfers shall be made to pay non-General Fund costs
13 associated with the operation of the State Capitol Security
14 Division of the Nebraska State Patrol;

15 (i) From the Highway Trust Fund to the Motor Fuel Tax
16 Enforcement and Collection Cash Fund: \$2,000,000. Transfers shall
17 be made in twelve equal monthly amounts;

18 (j) From the Highway Trust Fund to the Motor Carrier
19 Division Cash Fund: Up to a maximum of \$750,000. Transfers shall be
20 made as required by the Department of Motor Vehicles to operate the
21 Division of Motor Carrier Services;

22 (k) From the Highway Trust Fund to the License Plate
23 Cash Fund: \$250,000. Transfers shall be made as required by the
24 Department of Motor Vehicles to meet the expenditures of plate and
25 sticker production, except that the total \$250,000 aggregate amount

1 shall be transferred by the State Treasurer on or before June 1,
2 2008;

3 (l) From the Flexible Spending Trust Fund to the Health
4 and Life Benefit Administration Cash Fund: \$68,000, except if the
5 total available unobligated balance of forfeitures in the Flexible
6 Spending Trust Fund as of June 30, 2007, is less than \$68,000, then
7 the State Treasurer shall transfer the difference, not to exceed
8 \$68,000, from the Health History Account of the State Employees
9 Insurance Fund. Transfers shall be made to pay the costs associated
10 with the administration of the Flexible Spending Account program;

11 (m) From the Health History Account of the State
12 Employees Insurance Fund to the Health and Life Benefit
13 Administration Cash Fund: \$631,981, less the June 30, 2007,
14 unobligated Health and Life Benefit Administration Cash Fund
15 balance;

16 (n) From the Severance Tax Fund to the Municipal Rate
17 Negotiations Revolving Loan Fund: \$30,000, pursuant to section
18 57-705;

19 (o) From the Severance Tax Fund to the State Energy
20 Office Cash Fund: \$300,000, pursuant to section 57-705. Transfers
21 shall be made in twelve equal monthly amounts; and

22 (p) From the Nebraska Collection Agency Fund to the
23 General Fund: \$350,000.

24 (2) Transfers for FY2008-09 shall include:

25 (a) From the General Fund to the Nebraska State Patrol

1 Cash Fund: \$115,000 less the unexpended balance existing on June
2 30, 2008, in (i) the Nebraska State Patrol Cash Fund, (ii)
3 the Investigation Petty Cash Fund, (iii) any special checking
4 account or accounts used by the Nebraska State Patrol, and (iv)
5 the possession of agency personnel involved in investigations,
6 when the unexpended balances resulted from General Fund transfers
7 to the Nebraska State Patrol Cash Fund or from General Fund
8 appropriations. Any transfers made shall be subject to a final
9 reconciliation of available investigation cash fund balances as of
10 June 30, 2008, by the Nebraska State Patrol.

11 It is the intent of the Legislature that the Nebraska
12 State Patrol have available a total of \$115,000 from the General
13 Fund for FY2008-09 to be used in making drug purchases, for
14 enforcing Nebraska laws relating to felonies, for enforcing the
15 Nebraska liquor laws, and for payment of investigative expenses;

16 (b) From the Tobacco Products Administration Cash Fund to
17 the General Fund: ~~\$-0-~~ \$12,000,000 on or before June 15, 2009, on
18 such date as directed by the budget administrator;

19 (c) From the Securities Act Cash Fund to the General
20 Fund: ~~\$7,500,000~~ \$9,500,000 on or before September 30, 2008, and
21 ~~\$3,500,000~~ \$9,500,000 on or before March 31, 2009, on such dates as
22 directed by the budget administrator;

23 (d) From the ~~Department of~~ Health and Human Services Cash
24 Fund to the University of Nebraska Eppley Institute for Research in
25 Cancer and Allied Diseases Cash Fund: \$500,000, pursuant to Laws

1 1983, LB 192, section 2;

2 (e) From the Department of Insurance Cash Fund to the
3 General Fund: \$1,500,000 on or before September 30, 2008, and
4 \$1,500,000 on or before March 31, 2009, on such dates as directed
5 by the budget administrator;

6 (f) From the Roads Operations Cash Fund to the Carrier
7 Enforcement Cash Fund: ~~\$7,055,791~~ \$7,433,932. Transfers shall be
8 made in four equal quarterly amounts on or before July 15, October
9 15, January 15, and April 15;

10 (g) From the Carrier Enforcement Cash Fund to the
11 Nebraska Public Safety Communication System Cash Fund: \$378,141
12 on or before July 5, 2008;

13 (h) From the Petroleum Release Remedial Action Cash Fund
14 to the Underground Storage Tank Fund: \$50,000 on or before July 5,
15 2008;

16 (i) From the State Building Revolving Fund to the Capitol
17 Security Revolving Fund: \$533,619. Transfers shall be made in four
18 equal quarterly amounts on or before July 15, October 15, January
19 15, and April 15.

20 Transfers shall be made to pay non-General Fund costs
21 associated with the operation of the State Capitol Security
22 Division of the Nebraska State Patrol;

23 (j) From the Highway Trust Fund to the Motor Fuel Tax
24 Enforcement and Collection Cash Fund: \$2,000,000. Transfers shall
25 be made in twelve equal monthly amounts;

1 (k) From the Highway Trust Fund to the Motor Carrier
2 Division Cash Fund: Up to a maximum of \$900,000. Transfers shall be
3 made as required by the Department of Motor Vehicles to operate the
4 Division of Motor Carrier Services;

5 (l) From the Highway Trust Fund to the License Plate
6 Cash Fund: Up to a maximum of \$1,950,000. Transfers shall be
7 made as required by the Department of Motor Vehicles to meet the
8 expenditures of plate and sticker production;

9 (m) From the Flexible Spending Trust Fund to the Health
10 and Life Benefit Administration Cash Fund: \$68,000, except if the
11 total available unobligated balance of forfeitures in the Flexible
12 Spending Trust Fund as of June 30, 2008, is less than \$68,000, then
13 the State Treasurer shall transfer the difference, not to exceed
14 \$68,000, from the Health History Account of the State Employees
15 Insurance Fund. Transfers shall be made to pay the costs associated
16 with the administration of the Flexible Spending Account program;

17 (n) From the Health History Account of the State
18 Employees Insurance Fund to the Health and Life Benefit
19 Administration Cash Fund: \$644,252;

20 (o) From the Severance Tax Fund to the Municipal Rate
21 Negotiations Revolving Loan Fund: \$30,000, pursuant to section
22 57-705; and

23 (p) From the Severance Tax Fund to the State Energy
24 Office Cash Fund: \$300,000, pursuant to section 57-705. Transfers
25 shall be made in twelve equal monthly amounts.

1 Sec. 9. Notwithstanding any other provision of law, for
2 bonds issued on or after the operative date of this section, funds
3 received by the issuer pursuant to section 77-2602 shall not be
4 pledged for repayment of bonds.

5 Sec. 10. Section 9 of this act becomes operative on July
6 1, 2008. The other sections of this act become operative on their
7 effective date.

8 Sec. 11. Original section 54-857, Reissue Revised
9 Statutes of Nebraska, sections 2-958.01, 29-3921, and 84-510,
10 Revised Statutes Cumulative Supplement, 2006, sections 71-7608 and
11 81-3119, Revised Statutes Supplement, 2007, Laws 2007, LB 321,
12 section 281, and section 71-7611, Revised Statutes Supplement,
13 2007, as amended by section 2, Legislative Bill 480, One Hundredth
14 Legislature, Second Session, 2008, are repealed.

15 Sec. 12. Since an emergency exists, this act takes effect
16 when passed and approved according to law.