

E & R AMENDMENTS TO LB 197

1           1.     Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3                 "Section 1.   Section 48-621, Revised Statutes Supplement,  
4 2002, is amended to read:

5                 48-621.   (1) The administrative fund shall consist of the  
6 Employment Security Administration Fund and the Employment Security  
7 Special Contingent Fund.   Each fund shall be maintained as a  
8 separate and distinct account in all respects, as follows:

9                 (a) There is hereby created in the state treasury a  
10 special fund to be known as the Employment Security Administration  
11 Fund.   All money credited to this fund is hereby appropriated and  
12 made available to the Commissioner of Labor.   All money in this  
13 fund shall be expended solely for the purposes and in the amounts  
14 found necessary as defined by the specific federal programs, state  
15 statutes, and contract obligations for the proper and efficient  
16 administration of all programs of the Department of Labor.   The  
17 fund shall consist of all money appropriated by this state and all  
18 money received from the United States of America or any agency  
19 thereof, including the Department of Labor and the Railroad  
20 Retirement Board, or from any other source for such purpose.   Money  
21 received from any agency of the United States or any other state as  
22 compensation for services or facilities supplied to such agency,  
23 any amounts received pursuant to any surety bond or insurance  
24 policy for losses sustained by the Employment Security

AM7086  
LB 197  
MHF-03-13

AM7086  
LB 197  
MHF-03-13

1 Administration Fund or by reason of damage to equipment or supplies  
2 purchased from money in such fund, and any proceeds realized from  
3 the sale or disposition of any equipment or supplies which may no  
4 longer be necessary for the proper administration of such ~~law~~  
5 programs shall also be credited to this fund. All money in this  
6 fund shall be deposited, administered, and disbursed in the same  
7 manner and under the same conditions and requirements as is  
8 provided by law for other special funds in the state treasury. Any  
9 balances in this fund, except balances of money therein  
10 appropriated from the General Fund of this state, shall not lapse  
11 at any time but shall be continuously available to the commissioner  
12 for expenditure consistent with the Employment Security Law. Any  
13 money in the Employment Security Administration Fund available for  
14 investment shall be invested by the state investment officer  
15 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
16 State Funds Investment Act; and

17 (b) There is hereby created in the state treasury a  
18 special fund to be known as the Employment Security Special  
19 Contingent Fund. Any money in the Employment Security Special  
20 Contingent 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. All money  
23 collected under section 48-655 as interest on delinquent  
24 contributions, less refunds, shall be credited to this fund from  
25 the clearing account of the Unemployment Compensation Fund at the  
26 end of each calendar quarter. Such money shall not be expended or  
27 available for expenditure in any manner which would permit its

1 substitution for or a corresponding reduction in federal funds  
2 which would in the absence of such money be available to finance  
3 expenditures for the administration of the unemployment insurance  
4 law, but nothing in this section shall prevent the money from being  
5 used as a revolving fund to cover expenditures necessary and proper  
6 under the law for which federal funds have been duly requested but  
7 not yet received, subject to the charging of such expenditures  
8 against such federal funds when received. The money in this fund  
9 may be used by the Commissioner of Labor only as follows:

10 (i) To replace within a reasonable time any money  
11 received by this state pursuant to section 302 of the federal  
12 Social Security Act, as amended, and required to be paid under  
13 section 48-622;

14 (ii) To meet special extraordinary and contingent  
15 expenses which are deemed essential for good administration but  
16 which are not provided in grants from the Secretary of Labor of the  
17 United States and, for this purpose, no expenditures shall be made  
18 from this fund except on written authorization by the Governor at  
19 the request of the Commissioner of Labor;

20 (iii) To be transferred to the Nebraska Community College  
21 Aid Cash Fund; and

22 (iv) To be transferred to the Job Training Cash Fund.

23 (2) (a) Money credited to the account of this state in the  
24 Unemployment Trust Fund by the United States Secretary of the  
25 Treasury pursuant to section 903 of the Social Security Act may not  
26 be requisitioned from this state's account or used except for the  
27 payment of benefits and for the payment of expenses incurred for

1 the administration of the Employment Security Law and public  
2 employment offices. Such money may be requisitioned pursuant to  
3 section 48-619 for the payment of benefits. Such money may also be  
4 requisitioned and used for the payment of expenses incurred for the  
5 administration of the Employment Security Law and public employment  
6 offices but only pursuant to a specific appropriation by the  
7 Legislature and only if the expenses are incurred and the money is  
8 requisitioned after the date of enactment of an appropriation law  
9 which specifies the purposes for which such money is appropriated  
10 and the amounts appropriated therefor. Such appropriation is  
11 subject to the following conditions:

12 (i) The period within which such money may be obligated  
13 is limited to a period ending not more than two years after the  
14 effective date of the appropriation law; and

15 (ii) The amount which may be obligated is limited to an  
16 amount which does not exceed the amount by which the aggregate of  
17 the amounts transferred to the account of this state pursuant to  
18 section 903 of the Social Security Act exceeds the aggregate of the  
19 amounts used by this state pursuant to the Employment Security Law  
20 and charged against the amounts transferred to the account of this  
21 state.

22 (b) For purposes of subdivision (2)(a)(ii) of this  
23 section, the amounts obligated under an appropriation for the  
24 administrative purposes described in such subdivision shall be  
25 charged against transferred amounts at the exact time the  
26 obligation is entered into.

27 (c) The appropriation, obligation, and expenditure or

1 other disposition of money appropriated under this subsection shall  
2 be accounted for in accordance with standards established by the  
3 United States Secretary of Labor.

4 (d) Money appropriated as provided in this subsection for  
5 the payment of expenses of administration shall be requisitioned as  
6 needed for the payment of obligations incurred under such  
7 appropriation and, upon requisition, shall be credited to the  
8 Employment Security Administration Fund from which such payments  
9 shall be made. Money so credited shall, until expended, remain a  
10 part of the Employment Security Administration Fund and, if it will  
11 not be immediately expended, shall be returned promptly to the  
12 account of this state in the Unemployment Trust Fund.

13 (e) Notwithstanding subdivision (2)(a) of this section,  
14 money credited with respect to federal fiscal years 1999, 2000, and  
15 2001 shall be used solely for the administration of the  
16 unemployment compensation program and are not subject to  
17 appropriation by the Legislature.

18 (3) There is hereby appropriated out of the funds made  
19 available to this state in federal fiscal year 2002 under section  
20 903(d) of the federal Social Security Act, as amended, the sum of  
21 \$6,800,484, or so much thereof as may be necessary, to be used,  
22 under the direction of the Department of Labor, for the  
23 administration of the Employment Security Law and public employment  
24 offices. The expenditure or other disposition of money  
25 appropriated under this subsection shall be accounted for in  
26 accordance with standards established by the United States  
27 Secretary of Labor. Reed Act distributions appropriated pursuant

1 to this subsection may be amortized with federal grant funds  
2 provided pursuant to Title III of the federal Social Security Act  
3 and the federal Wagner-Peyser Act for the purpose of administering  
4 the state unemployment compensation and employment service programs  
5 to the extent allowed under such acts and the regulations adopted  
6 pursuant thereto. Except as specifically provided in this  
7 subsection, all provisions of subsection (2) of this section,  
8 except subdivision (2)(a)(i) of this section, shall apply to this  
9 appropriation. The commissioner shall submit an annual report to  
10 the Governor, the Speaker of the Legislature, and the chairpersons  
11 of the Appropriations Committee and the Business and Labor  
12 Committee of the Legislature describing expenditures made pursuant  
13 to this subsection.

14           Sec. 2. Original section 48-621, Revised Statutes  
15 Supplement, 2002, is repealed.

16           Sec. 3. Since an emergency exists, this act takes effect  
17 when passed and approved according to law."

18           2. On page 1, line 3, strike "and"; and in line 4 after  
19 "section" insert "; and to declare an emergency".