

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 316

FINAL READING

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

Read first time January 15, 2009

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state funds; to amend sections 57-705,
2 81-1201.21, 82-331, 82-332, 84-510, 85-415, and 85-421,
3 Reissue Revised Statutes of Nebraska, and sections
4 66-1334, 66-1345.04, 71-7608, 71-7611, 71-8805, and
5 77-2602.04, Revised Statutes Cumulative Supplement,
6 2008; to provide for, change, and eliminate provisions
7 relating to the use and transfer of funds; to harmonize
8 provisions; to repeal the original sections; to outright
9 repeal section 81-1623, Reissue Revised Statutes of
10 Nebraska; and to declare an emergency.

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

1 Section 1. The State Treasurer shall transfer \$100,000
2 from the Department of Administrative Services Revolving Fund to
3 the Personnel Division Revolving Fund, as soon as possible, on or
4 after the effective date of this act.

5 Sec. 2. The State Treasurer shall transfer \$265,000 from
6 the Accounting Division Revolving Fund to the Personnel Division
7 Revolving Fund, as soon as possible, on or after the effective date
8 of this act.

9 Sec. 3. The State Treasurer shall transfer \$2,500,000
10 from the General Fund to the Ethanol Production Incentive Cash
11 Fund on or before June 30, 2010, on such date as directed by the
12 budget administrator of the budget division of the Department of
13 Administrative Services, pursuant to subdivision (2)(g) of section
14 66-1345.04.

15 Sec. 4. The State Treasurer shall transfer \$2,500,000
16 from the General Fund to the Ethanol Production Incentive Cash
17 Fund on or before June 30, 2011, on such date as directed by the
18 budget administrator of the budget division of the Department of
19 Administrative Services, pursuant to subdivision (2)(g) of section
20 66-1345.04.

21 Sec. 5. The State Treasurer shall transfer \$200,000 from
22 the Agricultural Alcohol Fuel Tax Fund to the Ethanol Production
23 Incentive Cash Fund on June 15, 2010, or as soon thereafter as
24 administratively possible.

25 Sec. 6. The State Treasurer shall transfer \$2,700,000

1 from the General Fund to the Water Resources Cash Fund on
2 or before June 30, 2010, on such date as directed by the
3 budget administrator of the budget division of the Department
4 of Administrative Services, pursuant to section 61-218.

5 Sec. 7. The State Treasurer shall transfer \$2,700,000
6 from the General Fund to the Water Resources Cash Fund on
7 or before June 30, 2011, on such date as directed by the
8 budget administrator of the budget division of the Department
9 of Administrative Services, pursuant to section 61-218.

10 Sec. 8. The State Treasurer shall transfer \$8,250,000
11 from the General Fund to the Ethanol Production Incentive Cash
12 Fund on or before June 30, 2010, on such date as directed by the
13 budget administrator of the budget division of the Department of
14 Administrative Services, pursuant to subdivision (2)(j) of section
15 66-1345.04.

16 Sec. 9. The State Treasurer shall transfer \$3,000,000
17 from the General Fund to the Ethanol Production Incentive Cash
18 Fund on or before June 30, 2011, on such date as directed by the
19 budget administrator of the budget division of the Department of
20 Administrative Services, pursuant to subdivision (2)(k) of section
21 66-1345.04.

22 Sec. 10. The State Treasurer shall transfer \$112,000,000
23 from the General Fund to the Property Tax Credit Cash Fund on
24 or before December 31, 2009, on such date as directed by the
25 budget administrator of the budget division of the Department of

1 Administrative Services.

2 Sec. 11. The State Treasurer shall transfer \$112,000,000
3 from the General Fund to the Property Tax Credit Cash Fund on
4 or before December 31, 2010, on such date as directed by the
5 budget administrator of the budget division of the Department of
6 Administrative Services.

7 Sec. 12. The State Treasurer shall transfer \$100,000 from
8 the Nebraska Health Care Cash Fund to the Joseph Soukup Trust Fund
9 before July 1, 2009.

10 Sec. 13. The State Treasurer shall transfer an amount
11 as directed by the budget administrator of the budget division of
12 the Department of Administrative Services, pursuant to subdivisions
13 (3) and (4) of section 82-331, not to exceed \$500,000, from the
14 General Fund to the Nebraska Cultural Preservation Endowment Fund
15 on December 31, 2009, or as soon thereafter as administratively
16 possible.

17 Sec. 14. The State Treasurer shall transfer an amount
18 as directed by the budget administrator of the budget division of
19 the Department of Administrative Services, pursuant to subdivisions
20 (3) and (4) of section 82-331, not to exceed \$500,000, plus an
21 amount equal to unused transfer authority from the prior fiscal
22 year, from the General Fund to the Nebraska Cultural Preservation
23 Endowment Fund on December 31, 2010, or as soon thereafter as
24 administratively possible.

25 Sec. 15. Section 57-705, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 57-705 (1) All severance taxes levied by Chapter 57,
3 article 7, shall be paid to the Tax Commissioner. He or she shall
4 remit all such money received to the State Treasurer. All such
5 money received by the State Treasurer shall be credited to a
6 fund to be known as the Severance Tax Fund. An amount equal to
7 one percent of the gross severance tax receipts, excluding those
8 receipts from tax derived from oil and natural gas severed from
9 school lands, credited to the fund shall be credited by the State
10 Treasurer, upon the first day of each month, and shall inure to the
11 Severance Tax Administration Fund to be used for the expenses of
12 administering Chapter 57, article 7. The balance of the Severance
13 Tax Fund received from school lands shall be credited by the State
14 Treasurer, upon the first day of each month, and shall inure to the
15 permanent school fund.

16 (2) Of the balance of the Severance Tax Fund received
17 from other than school lands (a) the Legislature may transfer
18 an amount to be determined by the Legislature through the
19 appropriations process up to three hundred thousand dollars for
20 each year to the State Energy Office Cash Fund, (b) the Legislature
21 may transfer an amount to be determined by the Legislature through
22 the appropriations process up to thirty thousand dollars for
23 each year to the Public Service Commission for administration of
24 the Municipal Rate Negotiations Revolving Loan Fund, and (c) the
25 remainder shall be credited and inure to the permanent school fund.

1 (3) The State Treasurer shall transfer two hundred fifty
2 thousand dollars from the Severance Tax Administration Fund to the
3 Department of Revenue Enforcement Fund on July 1, 2009, or as soon
4 thereafter as administratively possible. The State Treasurer shall
5 transfer two hundred fifty thousand dollars from the Severance
6 Tax Administration Fund to the Department of Revenue Enforcement
7 Fund on July 1, 2010, or as soon thereafter as administratively
8 possible.

9 Sec. 16. Section 66-1334, Revised Statutes Cumulative
10 Supplement, 2008, is amended to read:

11 66-1334 (1) The Agricultural Alcohol Fuel Tax Fund is
12 hereby created. No part of the funds deposited in the fund or
13 of federal funds or other funds solicited in conjunction with
14 research or demonstration programs shall lapse to the General
15 Fund. Transfers from the Agricultural Alcohol Fuel Tax Fund to
16 the Ethanol Production Incentive Cash Fund may be made at the
17 direction of the Legislature. In addition to such unexpended
18 balance appropriation, there is hereby appropriated such amounts as
19 are deposited in the Agricultural Alcohol Fuel Tax Fund in each
20 year. The fund shall be administered by the board. Any money in
21 the fund available for investment shall be invested by the state
22 investment officer pursuant to the Nebraska Capital Expansion Act
23 and the Nebraska State Funds Investment Act.

24 (2) The fund shall be used for the following purposes:

25 (a) Establishment, with cooperation of private industry,

1 of procedures and processes necessary to the manufacture and
2 marketing of fuel containing agricultural ethyl alcohol;

3 (b) Establishment of procedures for entering blended fuel
4 into the marketplace by private enterprise;

5 (c) Analysis of the marketing process and testing
6 of marketing procedures to assure acceptance in the private
7 marketplace of blended fuel and byproducts resulting from the
8 manufacturing process;

9 (d) Cooperation with private industry to establish
10 privately owned agricultural ethyl alcohol manufacturing plants in
11 Nebraska to supply demand for blended fuel;

12 (e) Sponsoring research and development of industrial and
13 commercial uses for agricultural ethyl alcohol and for byproducts
14 resulting from the manufacturing process;

15 (f) Promotion of state and national air quality
16 improvement programs and influencing federal legislation that
17 requires or encourages the use of fuels oxygenated by the inclusion
18 of agricultural ethyl alcohol or its derivatives;

19 (g) Promotion of the use of renewable agricultural ethyl
20 alcohol as a partial replacement for imported oil and for the
21 energy and economic security of the nation;

22 (h) Participation in development and passage of national
23 legislation dealing with research, development, and promotion of
24 United States production of fuels oxygenated by the inclusion of
25 agricultural ethyl alcohol or its derivatives, access to potential

1 markets, tax incentives, imports of foreign-produced fuel, and
2 related concerns that may develop in the future; and

3 (i) As the board may otherwise direct to fulfill the
4 goals set forth under the Ethanol Development Act, including
5 monitoring contracts for existing ethanol program commitments
6 consummated pursuant to the law in existence prior to September 1,
7 1993, and solicitation of federal funds.

8 Sec. 17. Section 66-1345.04, Revised Statutes Cumulative
9 Supplement, 2008, is amended to read:

10 66-1345.04 (1) The State Treasurer shall transfer from
11 the General Fund to the Ethanol Production Incentive Cash Fund,
12 on or before the end of each of fiscal years 1995-96 and 1996-97,
13 \$8,000,000 per fiscal year.

14 (2) It is the intent of the Legislature that the
15 following General Fund amounts be appropriated to the Ethanol
16 Production Incentive Cash Fund in each of the following years:

17 (a) For each of fiscal years 1997-98 and 1998-99,
18 \$7,000,000 per fiscal year;

19 (b) For fiscal year 1999-2000, \$6,000,000;

20 (c) For fiscal year 2000-01, \$5,000,000;

21 (d) For fiscal year 2001-02 and for each of fiscal years
22 2003-04 through 2006-07, \$1,500,000;

23 (e) For each of fiscal years 2005-06 and 2006-07,
24 \$2,500,000 in addition to the amount in subdivision (2)(d) of
25 this section;

1 (f) For fiscal year 2007-08, \$5,500,000;

2 (g) For each of fiscal years 2008-09 through 2011-12,
3 \$2,500,000;

4 (h) For each of fiscal years 2005-06 and 2006-07,
5 \$5,000,000 in addition to the other amounts in this section;
6 and

7 (i) For fiscal year 2007-08, \$15,500,000 in addition to
8 the other amounts in this section;

9 (j) For fiscal year 2009-10, \$8,250,000 in addition to
10 the other amounts in this section; and

11 (k) For fiscal year 2010-11, \$3,000,000 in addition to
12 the other amounts in this section.

13 Sec. 18. Section 71-7608, Revised Statutes Cumulative
14 Supplement, 2008, is amended to read:

15 71-7608 The Nebraska Tobacco Settlement Trust Fund is
16 created. The fund shall include any settlement payments or other
17 revenue received by the State of Nebraska in connection with any
18 tobacco-related litigation to which the State of Nebraska is a
19 party. The Department of Health and Human Services shall remit such
20 revenue to the State Treasurer for credit to the fund, except
21 that of such revenue received on or after April 1, 2005, (1) two
22 million five hundred thousand dollars shall be credited for fiscal
23 years before FY2009-10 and (2) three million dollars shall be
24 credited for FY2009-10 and subsequent fiscal years to the Tobacco
25 Prevention and Control Cash Fund. For FY2008-09 five hundred

1 thousand dollars shall be transferred from the Nebraska Tobacco
2 Settlement Trust Fund to the Tobacco Prevention and Control Cash
3 Fund. The State Treasurer shall make such transfer no later than
4 July 15, 2008. Beginning in July 2008 and each year thereafter,
5 on or before July 25, five hundred thousand dollars shall be
6 transferred from the Nebraska Tobacco Settlement Trust Fund to the
7 Stem Cell Research Cash Fund created under section 71-8805. Subject
8 to the terms and conditions of such litigation, money from the
9 Nebraska Tobacco Settlement Trust Fund shall be transferred to the
10 Nebraska Health Care Cash Fund as provided in section 71-7611.
11 Any money in the Nebraska Tobacco Settlement Trust Fund available
12 for investment shall be invested by the state investment officer
13 pursuant to the Nebraska Capital Expansion Act and the Nebraska
14 State Funds Investment Act.

15 Sec. 19. Section 71-7611, Revised Statutes Cumulative
16 Supplement, 2008, is amended to read:

17 71-7611 (1) The Nebraska Health Care Cash Fund is
18 created. The State Treasurer shall transfer ~~(a) fifty-six million~~
19 ~~four hundred thousand dollars no later than July 30, 2008, and~~
20 ~~(b) fifty-five million seven~~ (a) fifty-six million one hundred
21 thousand dollars no later than July 15, 2009, and (b) fifty-nine
22 million one hundred thousand dollars beginning July 15, 2010,
23 and annually thereafter no later than July 15 from the Nebraska
24 Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco
25 Settlement Trust Fund to the Nebraska Health Care Cash Fund,

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

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

23 (3) One million dollars in the Nebraska Health Care Cash
24 Fund is designated each year for the Autism Treatment Program
25 Act for five fiscal years beginning in fiscal year 2007-08 and

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

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

23 (5) The State Treasurer shall transfer two hundred
24 thousand dollars from the Nebraska Health Care Cash Fund to the
25 University of Nebraska Medical Center Cash Fund for the Nebraska

1 Regional Poison Center within fifteen days after each July 1.

2 (6) Beginning on July 1, 2010, the State Treasurer shall
3 transfer three million dollars annually no later than July 15 of
4 each year from the Nebraska Health Care Cash Fund to the Tobacco
5 Prevention and Control Cash Fund.

6 (7) The State Treasurer shall transfer five hundred
7 thousand dollars annually no later than July 15 of each year from
8 the Nebraska Health Care Cash Fund to the Stem Cell Research Cash
9 Fund.

10 Sec. 20. Section 71-8805, Revised Statutes Cumulative
11 Supplement, 2008, is amended to read:

12 71-8805 (1) The Stem Cell Research Cash Fund is created.
13 Any money in the fund available for investment shall be invested
14 by the state investment officer pursuant to the Nebraska Capital
15 Expansion Act and the Nebraska State Funds Investment Act.

16 (2) Money credited to the Stem Cell Research Cash Fund
17 pursuant to section ~~71-7608~~ 71-7611 shall be used to provide a
18 dollar-for-dollar match, up to five hundred thousand dollars per
19 fiscal year, of funds received by institutions or researchers
20 from sources other than funds provided by the State of Nebraska
21 for nonembryonic stem cell research. Such matching funds shall be
22 awarded through the grant process established pursuant to section
23 71-8804. No single institution or researcher shall receive more
24 than seventy percent of the funds available for distribution under
25 this section on an annual basis.

1 (3) Up to three percent of the funds credited to the
2 Stem Cell Research Cash Fund shall be available to the Division
3 of Public Health of the Department of Health and Human Services
4 for administrative costs, including stipends and reimbursements
5 pursuant to section 71-8803.

6 Sec. 21. Section 77-2602.04, Revised Statutes Cumulative
7 Supplement, 2008, is amended to read:

8 77-2602.04 Notwithstanding any other provision of law,
9 for bonds issued on or after July 1, 2008, funds received by
10 the issuer pursuant to section 77-2602 shall not be pledged for
11 repayment of bonds, except that such funds may be pledged for
12 repayment of refunding bonds issued to refund bonds issued prior to
13 the effective date of this act.

14 Sec. 22. Section 81-1201.21, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 81-1201.21 (1) There is hereby created the Job Training
17 Cash Fund. The fund shall be under the direction of the Department
18 of Economic Development. Money may be transferred to the fund
19 pursuant to subdivision (1)(b)(iv) of section 48-621 and from
20 the Cash Reserve Fund at the direction of the Legislature. The
21 department shall establish a subaccount for all money transferred
22 from the Cash Reserve Fund to the Job Training Cash Fund on or
23 after July 1, 2005. Any unexpended or unobligated balance remaining
24 within such subaccount on July 1, ~~2010~~, 2014, shall be transferred
25 by the State Treasurer to the Cash Reserve Fund no later than

1 July 10, ~~2010-~~ 2014. Any obligated amount not transferred from the
2 subaccount that remains unexpended on July 1, ~~2009,~~ 2013, shall
3 be transferred by the State Treasurer to the Cash Reserve Fund no
4 later than December 31, ~~2011-~~ 2015.

5 (2) The department shall use the Job Training Cash Fund
6 to provide reimbursements for job training activities, including
7 employee assessment, preemployment training, on-the-job training,
8 training equipment costs, and other reasonable costs related to
9 helping industry and business locate or expand in Nebraska, or
10 to provide upgrade skills training of the existing labor force
11 necessary to adapt to new technology or the introduction of new
12 product lines.

13 (3) The department shall establish a subaccount within
14 the fund to provide job training grants targeted to small
15 employers, rural employers, and poverty area employers meeting
16 one of the following criteria: (a) Employ twenty-five or fewer
17 employees, (b) located in rural areas of Nebraska, or (c) located
18 in areas of high concentration of poverty within the corporate
19 limits of a city or village consisting of one or more contiguous
20 census tracts, as determined by the most recent federal decennial
21 census, which contain a percentage of persons below the poverty
22 line of greater than thirty percent, and all census tracts
23 contiguous to such tract or tracts, as determined by the most
24 recent federal decennial census. The department shall calculate the
25 amount of prior year investment income earnings accruing to the

1 fund and allocate such amount to the subaccount for small, rural,
2 or poverty area employer grants.

3 (4) Any money in the fund available for investment
4 shall be invested by the state investment officer pursuant to
5 the Nebraska Capital Expansion Act and the Nebraska State Funds
6 Investment Act.

7 Sec. 23. Section 82-331, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 82-331 (1) There is hereby established in the state
10 treasury a trust fund to be known as the Nebraska Cultural
11 Preservation Endowment Fund. The fund shall consist of funds
12 appropriated or transferred by the Legislature, and only the
13 earnings of the fund may be used as provided in this section.

14 (2) On August 1, 1998, the State Treasurer shall transfer
15 five million dollars from the General Fund to the Nebraska Cultural
16 Preservation Endowment Fund.

17 ~~(3) It is the intent of the Legislature that the State~~
18 ~~Treasurer shall transfer two million dollars from the General Fund~~
19 ~~to the Nebraska Cultural Preservation Endowment Fund on August 1 of~~
20 ~~each of the following years: 2009 and 2010.~~

21 (3) Except as provided in subsection (4) of this section,
22 it is the intent of the Legislature that the State Treasurer
23 shall transfer (a) an amount not to exceed five hundred thousand
24 dollars from the General Fund to the Nebraska Cultural Preservation
25 Endowment Fund on December 31 of 2009 and 2010 and (b) an amount

1 not to exceed one million five hundred thousand dollars from the
2 General Fund to the Nebraska Cultural Preservation Endowment Fund
3 on December 31 of 2011 and 2012.

4 (4) ~~On July 18, 2008, prior~~ Prior to the transfer
5 of funds from any state account into the Nebraska Cultural
6 Preservation Endowment Fund, the Nebraska Arts Council shall
7 provide documentation to the budget division of the Department of
8 Administrative Services that qualified endowments have generated
9 a dollar-for-dollar match of new money, up as defined in section
10 ~~82-332 that is equal~~ to the amount of state funds authorized by the
11 Legislature to be transferred to the Nebraska Cultural Preservation
12 Endowment Fund. The budget division of the Department of
13 Administrative Services shall notify the State Treasurer to execute
14 a transfer ~~in an~~ of state funds up to the amount as specified by
15 the Legislature, but only to the extent that the Nebraska Arts
16 Council has provided documentation of a dollar-for-dollar match.
17 Funds not transferred shall be carried forward to the succeeding
18 year and be added to the funds authorized for a dollar-for-dollar
19 match during that year.

20 (5) The Legislature shall not appropriate or transfer
21 money from the Nebraska Cultural Preservation Endowment Fund for
22 any purpose other than the purposes stated in sections 82-330 to
23 82-333, except that the Legislature may appropriate or transfer
24 money from the fund upon a finding that the purposes of such
25 sections are not being accomplished by the fund.

1 (6) Any money in the Nebraska Cultural Preservation
2 Endowment Fund available for investment shall be invested by the
3 state investment officer pursuant to the Nebraska Capital Expansion
4 Act and the Nebraska State Funds Investment Act.

5 (7) All investment earnings from the Nebraska Cultural
6 Preservation Endowment Fund shall be credited to the Nebraska Arts
7 and Humanities Cash Fund.

8 Sec. 24. Section 82-332, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 82-332 (1) The Nebraska Arts and Humanities Cash Fund is
11 created. The fund shall consist of all funds credited from the
12 Nebraska Cultural Preservation Endowment Fund pursuant to section
13 82-331. The Nebraska Arts Council shall administer and distribute
14 the Nebraska Arts and Humanities Cash Fund. All disbursements
15 from the Nebraska Arts and Humanities Cash Fund shall be matched
16 dollar-for-dollar by sources other than state funds. The match
17 funds shall be new money generated for endowments established
18 by the Nebraska Arts Council or Nebraska Humanities Council or
19 qualified endowments of their constituent organizations, new money
20 generated as a result of seed grants to recipients, or new money
21 generated by the Nebraska Arts Council or Nebraska Humanities
22 Council for arts or humanities education. ~~New money includes, but~~
23 ~~is not limited to, donations to the Nebraska Arts Council or~~
24 ~~Nebraska Humanities Council in anticipation of the establishment~~
25 ~~of the Nebraska Cultural Preservation Endowment Fund. Matching~~

1 funds shall also include earnings generated by qualified private
2 endowments formed in accordance with this section. New money used
3 as a match shall not be limited to matching the Nebraska Arts
4 and Humanities Cash Fund in the state fiscal year the new money
5 is received, but it shall be used as a match no later than
6 the subsequent fiscal year. For an endowment to be a qualified
7 endowment (a) the endowment must meet the standards set by the
8 Nebraska Arts Council or Nebraska Humanities Council, (b) the
9 endowment must be intended for long-term stabilization of the
10 organization, and (c) the funds of the endowment must be endowed
11 and only the earnings thereon expended. An organization is a
12 constituent organization if it receives funding from the Nebraska
13 Arts Council or Nebraska Humanities Council and is tax exempt under
14 section 501 of the Internal Revenue Code. The match funds required
15 by this section shall not include in-kind contributions. The budget
16 division of the Department of Administrative Services shall approve
17 allotment and disbursement of funds from the Nebraska Arts and
18 Humanities Cash Fund only to the extent the Nebraska Arts Council
19 has provided documentation of the dollar-for-dollar match required
20 by this section. Funds from the Nebraska Arts and Humanities Cash
21 Fund may be used for the purpose of obtaining challenge grants from
22 the National Endowment for the Humanities or the National Endowment
23 for the Arts.

24 (2) Rules and regulations of the Nebraska Arts Council
25 shall provide that the ultimate use of disbursements from the

1 Nebraska Arts and Humanities Cash Fund shall be in a ratio of
2 seventy percent to projects, endowments, or programs designated
3 by the Nebraska Arts Council and thirty percent to projects,
4 endowments, or programs designated by the Nebraska Humanities
5 Council.

6 (3) Any money in the fund available for investment
7 shall be invested by the state investment officer pursuant to
8 the Nebraska Capital Expansion Act and the Nebraska State Funds
9 Investment Act.

10 Sec. 25. Section 84-510, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 84-510 The Corporation Cash Fund is created. Transfers
13 from the fund to the Election Administration Fund or the General
14 Fund may be made at the direction of the Legislature. ~~Within~~
15 ~~five days after April 3, 2008,~~ the State Treasurer shall transfer
16 ~~thirty-five thousand seven hundred ninety-five dollars from the~~
17 ~~Corporation Cash Fund to the Election Administration Fund.~~ The
18 State Treasurer shall transfer five hundred thousand dollars from
19 the Corporation Cash Fund to the General Fund on or before July
20 5, 2009. Any money in the Corporation Cash Fund available for
21 investment shall be invested by the state investment officer
22 pursuant to the Nebraska Capital Expansion Act and the Nebraska
23 State Funds Investment Act.

24 Sec. 26. Section 85-415, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 85-415 (1) In order to accomplish any projects authorized
2 by section 85-414, the Board of Regents of the University of
3 Nebraska may enter into contracts with any person, firm, or
4 corporation providing for the implementation of any such project
5 of the University of Nebraska and providing for the long-term
6 payment of the cost of such project from the University of Nebraska
7 Facilities Program. In no case shall any such contract extend for a
8 period beyond July 15, 2011, nor shall any such contract exceed the
9 repayment capabilities implicit in the funding streams authorized
10 in sections 85-412 and 85-414.

11 (2) The Board of Regents of the University of Nebraska
12 shall not pledge the credit of the State of Nebraska for the
13 payment of any sum owing on account of such contract, except
14 that there may be pledged for the payment of any such contract
15 any appropriation specifically made by the Legislature for such
16 purpose, together with such funds of the Board of Regents of the
17 University of Nebraska as the board determines. No contract shall
18 be entered into pursuant to this section without prior approval
19 by resolution by the Board of Regents. The Board of Regents may
20 also convey, lease, or lease back all or any part of the projects
21 authorized by section 85-414 and the land on which such projects
22 are situated to such person, firm, or corporation as the Board of
23 Regents may contract with pursuant to this section to facilitate
24 the long-term payment of the cost of such projects. Any such
25 conveyance or lease shall provide that when the cost of such

1 projects has been paid, together with interest and other costs
2 thereon, such projects and the land on which such projects are
3 located shall become the property of the Board of Regents.

4 (3) The Board of Regents of the University of Nebraska
5 is authorized to make expenditures for the purposes stated in
6 this section and section 85-414 from investment income balances in
7 any fund created under the authority provided for in any contract
8 or contracts authorized by this section. Any appropriated amounts
9 and amounts designated or matched by the Board of Regents under
10 section 85-412 in excess of amounts required to meet debt service
11 and any interest earnings derived from reserve funds or any other
12 funds created under the authority provided for in any contract
13 or contracts authorized by this section shall be accumulated and
14 applied toward early retirement of debt as authorized under any
15 indenture or other contract entered into by the Board of Regents
16 as authorized by this section. The Board of Regents and the
17 Department of Administrative Services shall, on or before January
18 1, 1999, enter into an agreement providing for the allocation
19 and distribution of any balances existing in the University of
20 Nebraska Facilities Program or any other funds created as part
21 of a long-term contract entered into by the Board of Regents
22 pursuant to this section to the General Fund and any other funds
23 designated by the Board of Regents as a source of funds for the
24 match specified in section 85-412 either on July 15, 2011, or when
25 all financial obligations incurred in the contracts entered into

1 by the Board of Regents pursuant to this section are discharged,
2 whichever occurs first. Up to eleven million eight hundred thousand
3 dollars of the balances existing in the University of Nebraska
4 Facilities Program and any other funds created as a part of a
5 long-term contract entered into by the Board of Regents pursuant to
6 this section on July 15, 2009, may be expended for the acquisition
7 and implementation of a joint student information system for the
8 University of Nebraska and the Nebraska State College System.

9 Sec. 27. Section 85-421, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 85-421 (1) The Legislature shall appropriate from the
12 General Fund (a) an amount not less than five million five hundred
13 thousand dollars for each fiscal year for the period beginning
14 with the fiscal year commencing July 1, 2006, and continuing
15 through the fiscal year ending June 30, 2009, and (b) an amount
16 not less than eleven million dollars for each fiscal year for
17 the period beginning with the fiscal year commencing July 1,
18 2009, and continuing through the fiscal year ending June 30,
19 2020, to the University of Nebraska Facilities Program of 2006 to
20 be used by the Board of Regents of the University of Nebraska
21 to accomplish projects as provided in this section. Through the
22 allotment process established in section 81-1113, the Department
23 of Administrative Services shall make appropriated funds available.
24 Undisbursed appropriations balances existing in the University of
25 Nebraska Facilities Program of 2006 at the end of each fiscal year

1 until June 30, 2021, shall be and are hereby reappropriated.

2 (2) The Legislature finds and determines that the
3 projects funded through the University of Nebraska Facilities
4 Program of 2006 are of critical importance to the State
5 of Nebraska. It is the intent of the Legislature that the
6 appropriations to the program shall not be reduced until all
7 contracts and securities relating to the construction and financing
8 of the projects or portions of the projects funded from such funds
9 or accounts of such funds are completed or paid but in no case
10 shall such appropriations extend beyond the fiscal year ending
11 June 30, 2020, nor shall the cumulative total of the General Fund
12 appropriations for the program exceed one hundred thirty-seven
13 million five hundred thousand dollars.

14 (3) Subject to the receipt of project approval from
15 the Coordinating Commission for Postsecondary Education as
16 required by subsection (10) of section 85-1414 for each of
17 the following University of Nebraska projects, the Board of
18 Regents of the University of Nebraska is authorized to make
19 expenditures from the University of Nebraska Facilities Program
20 of 2006 for the following projects: (a) Deferred maintenance,
21 repair, and renovation of University of Nebraska at Kearney
22 Bruner Hall; (b) construction of University of Nebraska at Kearney
23 campus-wide central utilities plant and system; (c) construction
24 of facilities to replace University of Nebraska-Lincoln Behlen,
25 Brace, and Ferguson Halls or deferred maintenance, repair, and

1 renovation of University of Nebraska-Lincoln Behlen, Brace,
2 and Ferguson Halls; (d) construction of a facility to replace
3 University of Nebraska-Lincoln Keim Hall or deferred maintenance,
4 repair, and renovation of University of Nebraska-Lincoln Keim
5 Hall; (e) deferred maintenance, repair, and renovation of
6 University of Nebraska-Lincoln Sheldon Memorial Art Gallery; (f)
7 deferred maintenance, repair, and renovation of University of
8 Nebraska-Lincoln Animal Science Complex; (g) deferred maintenance,
9 repair, and renovation of University of Nebraska Medical Center
10 Poynter, Bennet, and Wittson Halls; (h) deferred maintenance,
11 repair, and renovation of University of Nebraska Medical Center
12 Eppley Institute for Research in Cancer and Allied Diseases or
13 replacement if additional federal or private funds are received;
14 (i) deferred maintenance, repair, and renovation of University
15 of Nebraska Medical Center College of Dentistry; (j) deferred
16 maintenance, repair, and renovation of University of Nebraska at
17 Omaha Library; and (k) deferred maintenance, repair, and renovation
18 of University of Nebraska at Omaha utilities infrastructure.

19 (4) Expenditures of matching funds provided for the
20 projects listed in this section by the Board of Regents of the
21 University of Nebraska as provided for in section 85-419 shall be
22 accounted for in the Nebraska State Accounting System through the
23 University of Nebraska Facilities Program of 2006 or according to
24 some other reporting process mutually agreed upon by the University
25 of Nebraska and the Department of Administrative Services.

1 (5) The Board of Regents of the University of Nebraska
2 shall record and report, on the Nebraska State Accounting System,
3 expenditure of amounts from the University of Nebraska Facilities
4 Program of 2006 and expenditure of proceeds arising from any
5 contract entered into pursuant to this section and section 85-422
6 in such manner and format as prescribed by the Department of
7 Administrative Services or according to some other reporting
8 process mutually agreed upon by the University of Nebraska and
9 the Department of Administrative Services.

10 (6) The Board of Regents of the University of Nebraska
11 shall provide to the Task Force for Building Renewal semiannual
12 reports concerning the status of each project authorized by this
13 section.

14 Sec. 28. Original sections 57-705, 81-1201.21, 82-331,
15 82-332, 84-510, 85-415, and 85-421, Reissue Revised Statutes of
16 Nebraska, and sections 66-1334, 66-1345.04, 71-7608, 71-7611,
17 71-8805, and 77-2602.04, Revised Statutes Cumulative Supplement,
18 2008, are repealed.

19 Sec. 29. The following section is outright repealed:
20 Section 81-1623, Reissue Revised Statutes of Nebraska.

21 Sec. 30. Since an emergency exists, this act takes effect
22 when passed and approved according to law.