

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 974**

Introduced by Mello, 5; Campbell, 25; Harms, 48; Krist, 10.  
Read first time January 17, 2014  
Committee: Appropriations

A BILL

1 FOR AN ACT relating to agency budgeting; to amend section 81-3110,  
2 Reissue Revised Statutes of Nebraska, sections 81-132 and  
3 81-1113, Revised Statutes Cumulative Supplement, 2012,  
4 and section 81-3133, Revised Statutes Supplement, 2013;  
5 to provide strategic duties for divisions of the  
6 Department of Health and Human Services; to harmonize  
7 provisions; and to repeal the original sections.  
8 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 81-132, Revised Statutes Cumulative  
2 Supplement, 2012, is amended to read:

3                   81-132 All departments, offices, and institutions of the  
4 state government requesting appropriations shall file in the office  
5 of the Director of Administrative Services the budget forms furnished  
6 them by the director under the provisions of sections 81-1113 and  
7 81-1113.01. The budget forms required by this section shall be filed  
8 on or before September 15 of each even-numbered year, except that in  
9 2002, the budget administrator of the budget division of the  
10 Department of Administrative Services may extend the filing deadline  
11 for budget forms to a date no later than October 15, 2002. The forms  
12 shall show their total estimated requirements for the next biennium  
13 for each unit of their organization and activity classified as to  
14 object of expenditure. With such forms, each department, office,  
15 institution, and expending agency shall file a report showing all  
16 money received by such department, office, institution, or expending  
17 agency together with the estimated receipts for the coming biennium.  
18 Such estimates shall be accompanied by a statement in writing giving  
19 facts and explanations of reasons for each item of increased  
20 appropriation requested. The report submitted by the Department of  
21 Health and Human Services shall include, but not be limited to, the  
22 key goals, benchmarks, and progress reports required pursuant to  
23 section 81-3133 and sections 5 to 7 of this act.

24                   Sec. 2. Section 81-1113, Revised Statutes Cumulative  
25 Supplement, 2012, is amended to read:

1                   81-1113 The budget division shall prepare the executive  
2 budget in accordance with the wishes and policies of the Governor.  
3 The budget division shall have the following duties, powers, and  
4 responsibilities:

5                   (1) Shall prescribe the forms and procedures to be  
6 employed by all departments and agencies of the state in compiling  
7 and submitting their individual budget requests and shall set up a  
8 budget calendar which shall provide for (a) the date, not later than  
9 July 15 of each even-numbered year, for distribution of instructions,  
10 (b) the date by which time requests for appropriations by each agency  
11 shall be submitted, and (c) the period during which such public  
12 hearings as the Governor may elect shall be held for each department  
13 and agency. The budget request shall be submitted each even-numbered  
14 year no later than the date provided in section 81-132, shall include  
15 the intended receipts and expenditures by programs, subprograms, and  
16 activities and such additional information as the administrator may  
17 deem appropriate for each fiscal year, shall be made upon a biennial  
18 basis, and shall include actual receipts and actual expenditures for  
19 each fiscal year of the most recently completed biennium and the  
20 first year of the current biennium and estimates for the second year  
21 of the current biennium and each year of the next ensuing biennium;

22                   (2) Shall work with each governmental department and  
23 agency in developing performance standards for each program,  
24 subprogram, and activity to measure and evaluate present as well as  
25 projected levels of expenditures. The budget division shall also work

1 with the ~~Division of Children and Family Services~~ of the Department  
2 of Health and Human Services to develop key goals, benchmarks, and  
3 methods of quantification of progress required pursuant to section  
4 81-3133 and sections 5 to 7 of this act;

5 (3) Shall, following passage of legislative  
6 appropriations, be responsible for the administration of the approved  
7 budget through budgetary allotments;

8 (4) Shall be responsible for a monthly budgetary report  
9 for each department and agency showing comparisons between actual  
10 expenditures and allotments, which report shall be subject to review  
11 by the director and budget administrator; and

12 (5) Shall be responsible for the authorization of  
13 employee positions. Such authorizations shall be based on the  
14 following:

15 (a) A requirement that a sufficient budget program  
16 appropriation and salary limitation exist to fully fund all  
17 authorized positions;

18 (b) A requirement that permanent full-time positions  
19 which have been vacant for ninety days or more be reviewed and  
20 reauthorized prior to being filled. If requested by the budget  
21 division, the personnel division of the Department of Administrative  
22 Services shall review such vacant position to determine the proper  
23 classification for the position;

24 (c) A requirement that authorized positions accurately  
25 reflect legislative intent contained in legislative appropriation and

1 intent bills; and

2 (d) Other relevant criteria as determined by the budget  
3 administrator.

4 Sec. 3. Section 81-3110, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 81-3110 Sections 81-3110 to 81-3124 and sections 5 to 7  
7 of this act shall be known and may be cited as the Health and Human  
8 Services Act.

9 Sec. 4. Section 81-3133, Revised Statutes Supplement,  
10 2013, is amended to read:

11 81-3133 (1)(a) On or before July 30, 2012, the Division  
12 of Children and Family Services of the Department of Health and Human  
13 Services shall report in writing its expenditures between January 1,  
14 2012, and June 30, 2012, and the outcomes relating to such  
15 expenditures to the Appropriations Committee of the Legislature and  
16 the Health and Human Services Committee of the Legislature. Such  
17 report shall identify any changes or movement of funds in excess of  
18 two hundred fifty thousand dollars relating to child welfare between  
19 subprograms within Budget Program 347 and Budget Program 354.

20 (b) Beginning with the third calendar quarter of 2012,  
21 the division shall report electronically its expenditures for each  
22 quarter and the outcomes relating to such expenditures within thirty  
23 days after the end of the quarter to the Appropriations Committee of  
24 the Legislature and the Health and Human Services Committee of the  
25 Legislature. Such report shall identify any changes or movement of

1 funds in excess of two hundred fifty thousand dollars relating to  
2 child welfare between subprograms within Budget Program 347 and  
3 Budget Program 354.

4 (2)(a) For the biennium ending June 30, 2015, ~~and the~~  
5 biennium ending June 30, 2017, and the biennium ending June 30, 2019,  
6 the Division of Children and Family Services of the Department of  
7 Health and Human Services shall, as part of the appropriations  
8 request process pursuant to section 81-132, include a strategic plan  
9 that identifies the main purpose or purposes of each program,  
10 verifiable and auditable key goals that the division believes are  
11 fair measures of its progress in meeting each program's main purpose  
12 or purposes, and benchmarks for improving performance on the key  
13 goals for the state as a whole and for each Department of Health and  
14 Human Services service area designated pursuant to section 81-3116.  
15 The division shall also report whether the benchmarks are being met  
16 and, if not, the expected timeframes for meeting them. Such key goals  
17 and benchmarks shall be developed by the Division of Children and  
18 Family Services with the assistance of the budget division of the  
19 Department of Administrative Services pursuant to subdivision (2) of  
20 section 81-1113.

21 (b) Not later than September 15, 2013, ~~and not later than~~  
22 September 15, 2015, and not later than September 15, 2017, the  
23 Division of Children and Family Services of the Department of Health  
24 and Human Services shall report electronically to the Health and  
25 Human Services Committee of the Legislature and the Appropriations

1 Committee of the Legislature on the progress towards the key goals  
2 identified pursuant to this subsection that occurred in the previous  
3 twelve months. The division shall annually appear at a joint hearing  
4 of the two legislative committees and present the report.

5           Sec. 5. (1) For the biennium ending June 30, 2017, and  
6 the biennium ending June 30, 2019, the Division of Behavioral Health  
7 of the Department of Health and Human Services shall, as part of the  
8 appropriations request process pursuant to section 81-132, include a  
9 strategic plan that identifies the main purpose or purposes of each  
10 program, verifiable and auditable key goals that the division  
11 believes are fair measures of its progress in meeting each program's  
12 main purpose or purposes, and benchmarks for improving performance on  
13 the key goals. The division shall also report whether the benchmarks  
14 are being met and, if not, the expected timeframes for meeting them.  
15 Such key goals and benchmarks shall be developed by the division with  
16 the assistance of the budget division of the Department of  
17 Administrative Services pursuant to subdivision (2) of section  
18 81-1113.

19           (2) Not later than September 15, 2015, and not later than  
20 September 15, 2017, the Division of Behavioral Health of the  
21 Department of Health and Human Services shall report electronically  
22 to the Health and Human Services Committee of the Legislature and the  
23 Appropriations Committee of the Legislature on the progress towards  
24 the key goals identified pursuant to this section that occurred in  
25 the previous twelve months. The division shall annually appear at a

1 joint hearing of the two legislative committees and present the  
2 report.

3           Sec. 6. (1) For the biennium ending June 30, 2017, and  
4 the biennium ending June 30, 2019, the Division of Developmental  
5 Disabilities of the Department of Health and Human Services shall, as  
6 part of the appropriations request process pursuant to section  
7 81-132, include a strategic plan that identifies the main purpose or  
8 purposes of each program, verifiable and auditable key goals that the  
9 division believes are fair measures of its progress in meeting each  
10 program's main purpose or purposes, and benchmarks for improving  
11 performance on the key goals. The division shall also report whether  
12 the benchmarks are being met and, if not, the expected timeframes for  
13 meeting them. Such key goals and benchmarks shall be developed by the  
14 division with the assistance of the budget division of the Department  
15 of Administrative Services pursuant to subdivision (2) of section  
16 81-1113.

17           (2) Not later than September 15, 2015, and not later than  
18 September 15, 2017, the Division of Developmental Disabilities of the  
19 Department of Health and Human Services shall report electronically  
20 to the Health and Human Services Committee of the Legislature and the  
21 Appropriations Committee of the Legislature on the progress towards  
22 the key goals identified pursuant to this section that occurred in  
23 the previous twelve months. The division shall annually appear at a  
24 joint hearing of the two legislative committees and present the  
25 report.

1           Sec. 7. (1) For the biennium ending June 30, 2017, and  
2 the biennium ending June 30, 2019, the Division of Medicaid and Long-  
3 Term Care of the Department of Health and Human Services shall, as  
4 part of the appropriations request process pursuant to section  
5 81-132, include a strategic plan that identifies the main purpose or  
6 purposes of each program, verifiable and auditable key goals that the  
7 division believes are fair measures of its progress in meeting each  
8 program's main purpose or purposes, and benchmarks for improving  
9 performance on the key goals. The division shall also report whether  
10 the benchmarks are being met and, if not, the expected timeframes for  
11 meeting them. Such key goals and benchmarks shall be developed by the  
12 division with the assistance of the budget division of the Department  
13 of Administrative Services pursuant to subdivision (2) of section  
14 81-1113.

15           (2) Not later than September 15, 2015, and not later than  
16 September 15, 2017, the Division of Medicaid and Long-Term Care of  
17 the Department of Health and Human Services shall report  
18 electronically to the Health and Human Services Committee of the  
19 Legislature and the Appropriations Committee of the Legislature on  
20 the progress towards the key goals identified pursuant to this  
21 section that occurred in the previous twelve months. The division  
22 shall annually appear at a joint hearing of the two legislative  
23 committees and present the report.

24           Sec. 8. Original section 81-3110, Reissue Revised  
25 Statutes of Nebraska, sections 81-132 and 81-1113, Revised Statutes

- 1 Cumulative Supplement, 2012, and section 81-3133, Revised Statutes
- 2 Supplement, 2013, are repealed.