

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 661**

Introduced by Speaker Hadley, 37; at the request of the Governor.

Read first time January 22, 2015

Committee: Appropriations

- 1 A BILL FOR AN ACT relating to state government; to amend sections 13-2610
- 2 and 81-1354.05, Reissue Revised Statutes of Nebraska, and section
- 3 9-1,101, Revised Statutes Cumulative Supplement, 2014; to provide
- 4 fund transfers; to create a fund; to change and provide uses of
- 5 funds; to repeal the original sections; and to declare an emergency.
- 6 Be it enacted by the people of the State of Nebraska,

1           Section 1. The State Treasurer shall transfer \$3,300,000 from the  
2 General Fund to the Water Resources Cash Fund on or before June 30, 2016,  
3 on such dates and in such amounts as directed by the budget administrator  
4 of the budget division of the Department of Administrative Services.

5           Sec. 2. The State Treasurer shall transfer \$3,300,000 from the  
6 General Fund to the Water Resources Cash Fund on or before June 30, 2017,  
7 on such dates and in such amounts as directed by the budget administrator  
8 of the budget division of the Department of Administrative Services.

9           Sec. 3. The State Treasurer shall transfer \$11,000,000 from the  
10 General Fund to the Water Sustainability Fund on or before June 30, 2016,  
11 on such dates and in such amounts as directed by the budget administrator  
12 of the budget division of the Department of Administrative Services.

13           Sec. 4. The State Treasurer shall transfer \$11,000,000 from the  
14 General Fund to the Water Sustainability Fund on or before June 30, 2017,  
15 on such dates and in such amounts as directed by the budget administrator  
16 of the budget division of the Department of Administrative Services.

17           Sec. 5. The State Treasurer shall transfer \$69,184 from the  
18 Corporation Cash Fund to the Election Administration Fund on or before  
19 July 6, 2015, or as soon thereafter as administratively possible.

20           Sec. 6. The State Treasurer shall transfer \$465,847 from the  
21 Corporation Cash Fund to the Election Administration Fund on or before  
22 July 6, 2016, or as soon thereafter as administratively possible.

23           Sec. 7. The State Treasurer shall transfer \$198,000,000 from the  
24 General Fund to the Property Tax Credit Cash Fund on or before December  
25 15, 2015, on such date as directed by the budget administrator of the  
26 budget division of the Department of Administrative Services.

27           Sec. 8. The State Treasurer shall transfer \$198,000,000 from the  
28 General Fund to the Property Tax Credit Cash Fund on or before December  
29 15, 2016, on such date as directed by the budget administrator of the  
30 budget division of the Department of Administrative Services.

31           Sec. 9. The State Treasurer shall transfer an amount as directed by

1 the budget administrator of the budget division of the Department of  
2 Administrative Services, pursuant to subsections (3) and (4) of section  
3 82-331, not to exceed \$750,000, from the General Fund to the Nebraska  
4 Cultural Preservation Endowment Fund on December 31, 2015, or as soon  
5 thereafter as administratively possible.

6       Sec. 10. The State Treasurer shall transfer an amount as directed  
7 by the budget administrator of the budget division of the Department of  
8 Administrative Services, pursuant to subsections (3) and (4) of section  
9 82-331, not to exceed \$750,000, from the General Fund to the Nebraska  
10 Cultural Preservation Endowment Fund on December 31, 2016, or as soon  
11 thereafter as administratively possible.

12       Sec. 11. The State Treasurer shall transfer \$147,000 from the City  
13 of the Metropolitan Class Development Fund to the Personnel Division  
14 Revolving Fund on July 1, 2015, or as soon thereafter as administratively  
15 possible.

16       Sec. 12. The State Treasurer shall transfer \$98,000 from the City  
17 of the Primary Class Development Fund to the Personnel Division Revolving  
18 Fund on July 1, 2015, or as soon thereafter as administratively possible.

19       Sec. 13. The State Treasurer shall transfer \$150,000 from the  
20 Convention Center Support Fund to the General Fund on July 1, 2015, or as  
21 soon thereafter as administratively possible.

22       Sec. 14. The Republican River Compact Litigation Contingency Cash  
23 Fund is created. The Director of Administrative Services shall use the  
24 fund to make payments in an amount up to \$5,500,000 in accordance with  
25 any court order pursuant to Kansas v. Nebraska, No. 126 Original. Such  
26 payment or payments shall only be made by the Department of  
27 Administrative Services upon written certification by the Attorney  
28 General of the amount necessary to satisfy the court-ordered amount. The  
29 fund shall receive revenue from fund transfers as authorized by the  
30 Legislature and from fees, charges, and any other revenue source  
31 specifically designated by the Legislature for deposit in the fund.

1 Further, upon the written certification of the Attorney General to the  
2 Director of Administrative Services that the State of Nebraska has  
3 satisfied in full its payment requirements ordered by the court pursuant  
4 to Kansas v. Nebraska, No. 126 Original, the fund shall be terminated and  
5 any remaining balance shall be transferred to the Cash Reserve Fund. Any  
6 money in the fund available for investment shall be invested by the state  
7 investment officer pursuant to the Nebraska Capital Expansion Act and the  
8 Nebraska State Funds Investment Act.

9       Sec. 15. Section 9-1,101, Revised Statutes Cumulative Supplement,  
10 2014, is amended to read:

11       9-1,101 (1) The Nebraska Bingo Act, the Nebraska County and City  
12 Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle  
13 Card Lottery Act, the Nebraska Small Lottery and Raffle Act, and section  
14 9-701 shall be administered and enforced by the Charitable Gaming  
15 Division of the Department of Revenue, which division is hereby created.  
16 The Department of Revenue shall make annual reports to the Governor,  
17 Legislature, Auditor of Public Accounts, and Attorney General on all tax  
18 revenue received, expenses incurred, and other activities relating to the  
19 administration and enforcement of such acts. The report submitted to the  
20 Legislature shall be submitted electronically.

21       (2) The Charitable Gaming Operations Fund is hereby created. Any  
22 money in the fund available for investment shall be invested by the state  
23 investment officer pursuant to the Nebraska Capital Expansion Act and the  
24 Nebraska State Funds Investment Act.

25       (3)(a) Forty percent of the taxes collected pursuant to sections  
26 9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable  
27 Gaming Division for administering and enforcing the acts listed in  
28 subsection (1) of this section and providing administrative support for  
29 the Nebraska Commission on Problem Gambling. The remaining sixty percent  
30 shall be transferred to the General Fund. Any portion of the forty  
31 percent not used by the division in the administration and enforcement of

1 such acts and section shall be distributed as provided in this  
2 subsection.

3 (b) On or before November 1 each year through 2016, the State  
4 Treasurer shall transfer fifty thousand dollars from the Charitable  
5 Gaming Operations Fund to the Compulsive Gamblers Assistance Fund, except  
6 that no transfer shall occur if the Charitable Gaming Operations Fund  
7 contains less than fifty thousand dollars. Beginning in 2017, on or  
8 before November 1 each year, the State Treasurer shall transfer two  
9 hundred fifty thousand dollars from the Charitable Gaming Operations Fund  
10 to the Compulsive Gamblers Assistance Fund, except that no transfer shall  
11 occur if the Charitable Gaming Operations Fund contains less than two  
12 hundred fifty thousand dollars.

13 (c) Any money remaining in the Charitable Gaming Operations Fund  
14 after the transfer pursuant to subdivision (b) of this subsection not  
15 used by the Charitable Gaming Division in its administration and  
16 enforcement duties pursuant to this section may be transferred to the  
17 General Fund at the direction of the Legislature.

18 (4) The Tax Commissioner shall employ investigators who shall be  
19 vested with the authority and power of a law enforcement officer to carry  
20 out the laws of this state administered by the Tax Commissioner or the  
21 Department of Revenue and to enforce sections 28-1101 to 28-1117 relating  
22 to possession of a gambling device. For purposes of enforcing sections  
23 28-1101 to 28-1117, the authority of the investigators shall be limited  
24 to investigating possession of a gambling device, notifying local law  
25 enforcement authorities, and reporting suspected violations to the county  
26 attorney for prosecution.

27 (5) The Charitable Gaming Division may charge a fee for publications  
28 and listings it produces. The fee shall not exceed the cost of  
29 publication and distribution of such items. The division may also charge  
30 a fee for making a copy of any record in its possession equal to the  
31 actual cost per page. The division shall remit the fees to the State

1 Treasurer for credit to the Charitable Gaming Operations Fund.

2 (6) For administrative purposes only, the Nebraska Commission on  
3 Problem Gambling shall be located within the Charitable Gaming Division.  
4 The division shall provide office space, furniture, equipment, and  
5 stationery and other necessary supplies for the commission. Commission  
6 staff shall be appointed, supervised, and terminated by the director of  
7 the Gamblers Assistance Program pursuant to section 9-1004.

8 Sec. 16. Section 13-2610, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 13-2610 (1) Upon the annual certification under section 13-2609, the  
11 State Treasurer shall transfer after the audit the amount certified to  
12 the Convention Center Support Fund. The Convention Center Support Fund is  
13 created. Transfers may be made from the fund to the General Fund at the  
14 direction of the Legislature. Any money in the fund available for  
15 investment shall be invested by the state investment officer pursuant to  
16 the Nebraska Capital Expansion Act and the Nebraska State Funds  
17 Investment Act.

18 (2)(a) It is the intent of the Legislature to appropriate from the  
19 fund to any political subdivision for which an application for state  
20 assistance under the Convention Center Facility Financing Assistance Act  
21 has been approved an amount not to exceed (i) seventy percent of the  
22 state sales tax revenue collected by retailers and operators doing  
23 business at such facilities on sales at such facilities, state sales tax  
24 revenue collected on primary and secondary box office sales of admissions  
25 to such facilities, and state sales tax revenue collected by associated  
26 hotels, (ii) seventy-five million dollars for any one approved project,  
27 or (iii) the total cost of acquiring, constructing, improving, or  
28 equipping the eligible facility. State assistance shall not be used for  
29 an operating subsidy or other ancillary facility.

30 (b) Ten percent of such funds appropriated to a city of the  
31 metropolitan class under this subsection shall be equally distributed to

1 areas with a high concentration of poverty to (i) showcase important  
2 historical aspects of such areas or areas within close geographic  
3 proximity of the area with a high concentration of poverty or (ii) assist  
4 with the reduction of street and gang violence in such areas.

5 (c) Each area with a high concentration of poverty that has been  
6 distributed funds under subdivision (b) of this subsection shall  
7 establish a development fund and form a committee which shall identify  
8 and research potential projects to be completed in the area with a high  
9 concentration of poverty or in an area within close geographic proximity  
10 of such area if the project would have a significant or demonstrable  
11 impact on such area and make final determinations on the use of state  
12 sales tax revenue received for such projects.

13 (d) A committee formed in subdivision (c) of this subsection shall  
14 include the following three members:

15 (i) The member of the city council whose district includes a  
16 majority of the census tracts which each contain a percentage of persons  
17 below the poverty line of greater than thirty percent, as determined by  
18 the most recent federal decennial census, within the area with a high  
19 concentration of poverty;

20 (ii) The commissioner of the county whose district includes a  
21 majority of the census tracts which each contain a percentage of persons  
22 below the poverty line of greater than thirty percent, as determined by  
23 the most recent federal decennial census, within the area with a high  
24 concentration of poverty; and

25 (iii) A resident of the area with a high concentration of poverty,  
26 appointed by the other two members of the committee.

27 (e) A committee formed in subdivision (c) of this subsection shall  
28 solicit project ideas from the public and shall hold a public hearing in  
29 the area with a high concentration of poverty. Notice of a proposed  
30 hearing shall be provided in accordance with the procedures for notice of  
31 a public hearing pursuant to section 18-2115. The committee shall

1 research potential projects and make the final determination regarding  
2 the annual distribution of funding to such projects.

3 (f) For purposes of this subsection, an area with a high  
4 concentration of poverty means an area within the corporate limits of a  
5 city of the metropolitan class consisting of one or more contiguous  
6 census tracts, as determined by the most recent federal decennial census,  
7 which contain a percentage of persons below the poverty line of greater  
8 than thirty percent, and all census tracts contiguous to such tract or  
9 tracts, as determined by the most recent federal decennial census.

10 (3) State assistance to the political subdivision shall no longer be  
11 available upon the retirement of the bonds issued to acquire, construct,  
12 improve, or equip the facility or any subsequent bonds that refunded the  
13 original issue or when state assistance reaches the amount determined  
14 under subdivision (2)(a) of this section, whichever comes first.

15 (4) The remaining thirty percent of state sales tax revenue  
16 collected by retailers and operators doing business at such facilities on  
17 sales at such facilities, state sales tax revenue collected on primary  
18 and secondary box office sales of admissions to such facilities, and  
19 state sales tax revenue collected by associated hotels, shall be  
20 appropriated by the Legislature to the Civic and Community Center  
21 Financing Fund. Upon the annual certification required pursuant to  
22 section 13-2609 and following the transfer to the Convention Center  
23 Support Fund required pursuant to subsection (1) of this section, the  
24 State Treasurer shall transfer an amount equal to the remaining thirty  
25 percent from the Convention Center Support Fund to the Civic and  
26 Community Center Financing Fund.

27 (5) Any municipality that has applied for and received a grant of  
28 assistance under the Civic and Community Center Financing Act may not  
29 receive state assistance under the Convention Center Facility Financing  
30 Assistance Act.

31 Sec. 17. Section 81-1354.05, Reissue Revised Statutes of Nebraska,



1 is amended to read:

2 81-1354.05 (1) The Personnel Division Revolving Fund is created.  
3 The fund shall be administered by the personnel division of the  
4 Department of Administrative Services. The fund shall consist of (a) all  
5 All funds received by the personnel division for employee recognition  
6 programs and advertising and (b) assessments charged by the Director of  
7 Personnel to state agencies, boards, and commissions for human service  
8 management services provided by the division. Such assessments shall be  
9 adequate to cover actual and necessary expenses associated with providing  
10 the services. The fund shall be used to pay for expenses incurred by the  
11 division to provide such services.

12 (2) State agencies, boards, and commissions shall make the personnel  
13 division assessment payments to the fund (a) in one payment no later than  
14 August 1 of each year, (b) in two equal payments the first of which shall  
15 be made no later than August 1 and the second of which shall be made no  
16 later than February 1 of each year, or (c) in four equal payments to be  
17 made no later than August 1, October 1, February 1, and April 1 of each  
18 year, at the discretion of the personnel administrator.

19 (3) ~~shall be credited to the fund.~~ Any money in the fund available  
20 for investment shall be invested by the state investment officer pursuant  
21 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
22 Investment Act. ~~Any money in the Employee Recognition Revolving Fund on~~  
23 ~~July 1, 2000, shall be transferred to the Personnel Division Revolving~~  
24 ~~Fund.~~

25 Sec. 18. Original sections 13-2610 and 81-1354.05, Reissue Revised  
26 Statutes of Nebraska, and section 9-1,101, Revised Statutes Cumulative  
27 Supplement, 2014, are repealed.

28 Sec. 19. Since an emergency exists, this act takes effect when  
29 passed and approved according to law.