A BILL FOR AN ACT relating to revenue and taxation; to amend sections 72-1239.01, 77-3504, and 84-618, Reissue Revised Statutes of Nebraska, and sections 68-1201, 77-2715.07, and 77-2716, Revised Statutes Cumulative Supplement, 2014; to define terms; to create the achieving a better life experience program; to provide powers and duties; to change provisions relating to federal tax credits; to provide for adjustments to taxable income; to redefine household income for purposes of the homestead exemption; to provide startup funding; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency.

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

Section 1. For purposes of sections 1 to 9 of this act:
(1) Account means an achieving a better life experience account established under the program for the purposes of funding future qualified disability expenses of a designated beneficiary;
(2) Contracting state means a state without a qualified program which has entered into a contract with a state with a qualified program to provide residents of the contracting state access to a qualified program;
(3) Designated administrator means any corporation or other entity whose powers and privileges are provided for in any general or special law, whether for profit or not, designated or retained by the State Treasurer for the purpose of administering, subject to the ongoing supervision of the State Treasurer, all or any portion of the investment, marketing, recordkeeping, administrative, or other functions of the program;
(4) Designated beneficiary means the individual with a disability named as the beneficiary of an account;
(5) Individual with a disability means an individual who is an eligible individual as defined under section 529A;
(6) Program means the qualified program established by the State Treasurer as provided in section 2 of this act and administered by the State Treasurer and, to the extent so delegated or contracted by the State Treasurer, one or more designated administrators;
(7) Qualified disability expenses means any expenses related to the blindness or disability of the individual with a disability which are made for the benefit of an individual who is the designated beneficiary, including education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention, and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, and funeral and burial expenses; and other expenses which are approved under regulations promulgated under section 529A;
(8) Qualified program means a qualified ABLE program as defined under section 529A; and
(9) Section 529A means section 529A of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

Sec. 2. (1) For purposes of administering accounts established to encourage and assist individuals and families in saving private funds for the purpose of supporting individuals with disabilities, the State Treasurer shall either establish the achieving a better life experience program as provided in sections 3 to 9 of this act or contract with another state with a qualified program. The State Treasurer may enter into a contract with any contracting state to allow any resident of the contracting state to participate in the program established by the State Treasurer. Money from the Treasury Management Cash Fund may be appropriated for a program pursuant to section 7 of this act and to contract with another state with a qualified program under this section.
(2) Under a qualified program, one or more persons may make contributions to an account to meet the qualified disability expenses of the designated beneficiary of the account.
(3) If the State Treasurer establishes the program as authorized in this section, sections 3 to 9 of this act apply.

Sec. 3. (1) Unless otherwise permitted under section 529A, the owner of an account shall be the designated beneficiary of the account, except that if the designated beneficiary of the account is a minor or has a custodian or other fiduciary appointed for the purposes of managing such beneficiary’s financial affairs, a custodian or fiduciary for such designated beneficiary may serve as the account owner if such form of ownership is permitted or not prohibited under section 529A.
(2) Unless otherwise permitted under section 529A, the designated beneficiary of an account shall be a resident of the state or of a contracting state. The State Treasurer shall determine residency of Nebraska residents for
such purpose in such manner as may be required or permissible under section 529A or, in the absence of any guidance under section 529A, by such other means as the State Treasurer shall consider advisable for purposes of satisfying the requirements of section 529A.

Sec. 4. Any person may make contributions to an account to meet the qualified disability expenses of the designated beneficiary of the account if the account and contributions meet the other requirements of sections 3 to 9 of this act and the rules and regulations adopted and promulgated by the State Treasurer.

Sec. 5. The State Treasurer and, to the extent required by the terms of such designation, any designated administrator shall operate the program so that it constitutes a qualified program in compliance with the requirements of section 529A.

Sec. 6. The State Treasurer and any designated administrator shall provide investment options for the investment of amounts contributed to an account, except that the state investment officer shall have fiduciary responsibility to make all decisions regarding the investment of the money in the program. Any money credited to the Treasury Management Cash Fund for administrative expenses of the program, including the selection of all investment options and the approval of all fees and other costs charged to trust assets except costs for administration, operation, and maintenance of the trust as appropriated by the Legislature, pursuant to the directions, guidelines, and policies established by the Nebraska Investment Council. The State Treasurer shall not adopt and promulgate rules and regulations that in any way interfere with the fiduciary responsibility of the state investment officer to make all decisions regarding the investment of money in the expense fund and program fund or money of the program credited to the Treasury Management Cash Fund. The Nebraska Investment Council may adopt and promulgate rules and regulations to promote prudent investment of the assets of the program. The council or its designee also has the authority to select and enter into agreements with individuals and entities to provide investment advice and management of the assets held by the program, establish investment guidelines, objectives, and performance standards with respect to the assets held by the program, and approve any fees, commissions, and expenses, which directly or indirectly affect the return on assets.

Sec. 7. (1) Funds contributed to the program shall be held in trust by the State Treasurer. The State Treasurer shall credit money received by the program into three funds: The ABLE Program Fund, the ABLE Expense Fund, and the Treasury Management Cash Fund. The money contributed to the ABLE Program Fund shall be deposited into the appropriate fund. The State Treasurer and Accounting Administrator of the Department of Administrative Services shall determine the state fund types necessary to comply with section 529A and state policy. The money in the funds shall be invested by the state investment officer pursuant to policies established by the Nebraska Investment Council. The program fund, the expense fund, and the Treasury Management Cash Fund shall be separately administered.

(2) The ABLE Program Fund is created. All money paid by participants in connection with accounts and all investment income earned on such money shall be received and invested in a separate account in the program fund and may only be made in the form of cash. Contributions to the program may only be made in the form of cash. All funds generated in connection with accounts shall be deposited into the appropriate accounts within the program fund. A beneficiary shall not provide investment direction regarding contributions or earnings held by the program. Money accruing to designated beneficiaries in the program fund may be used for qualified disability expenses of the designated beneficiary. Money in the program fund may only be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(3) (a) The ABLE Expense Fund is created. The expense fund shall be used to pay costs associated with the program and shall be funded with fees assessed to the program fund.

(b) The State Treasurer shall transfer from the expense fund to the State Investment Officer's Cash Fund an amount equal to the pro rata share of the budget appropriated to the Nebraska Investment Council as permitted in section 72-1249.02, to cover reasonable expenses incurred for investment management of the Treasury Management Cash Fund. If any money in the State Investment Officer's Cash Fund is not needed for investment management, the State Treasurer shall report to the budget division of the Department of Administrative Services and to the Legislative Fiscal Analyst the amounts transferred during the previous fiscal year. The report submitted to the Legislative Fiscal Analyst shall be submitted electronically.

(c) When the State Treasurer determines that the ABLE Program Fund is generating enough fees to make the program self-sustaining, it is the intent of the Legislature to reimburse the Treasury Management Cash Fund for startup costs of the program from the expense fund.

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

(4) Until the State Treasurer determines that the ABLE Program Fund is generating enough fees to make the program self-sustaining, the costs of establishing, administering, operating, and maintaining the program shall be paid from the Treasury Management Cash Fund and to the extent permitted by section 529A, from money transferred from the expense fund to the Treasury Management Cash Fund, in an amount authorized by an appropriation from the Legislature. The Treasury Management Cash Fund shall not be credited with any
money from the program other than money transferred from the expense fund in an amount authorized by an appropriation by the Legislature or any interest income earned on the money held in the Treasury Management Cash Fund, shall at all times be preserved, invested, and expended solely and only for the purposes of the program and shall be held in trust for the designated beneficiaries. No property rights in the program shall exist in favor of the state. Such assets of the program shall not be transferred or used by the state for any purposes other than the purposes of the program.

Sec. 8. (1) The State Treasurer shall submit an annual audited financial report, prepared in accordance with generally accepted accounting principles, on the operations of the program by November 1 to the governor and the Legislature. The report submitted to the Legislature shall be submitted electronically. The State Treasurer shall cause the audit to be made either by the Auditor of Public Accounts or by an independent certified public accountant designated by the State Treasurer, and the audit shall include direct and indirect costs attributable to the use of outside consultants, independent contractors, and any other persons who are not state employees.

(2) The annual audit shall be supplemented by all of the following information prepared by the State Treasurer:
(a) Any related studies or evaluations prepared in the preceding year;
(b) A summary of the benefits provided by the program, including the number of designated beneficiaries in the program; and
(c) Any other information which is relevant in order to make a full, fair, and effective disclosure of the operations of the program, including the investment performance of the funds.

Sec. 9. The State Treasurer may adopt and promulgate rules and regulations, enter into contracts and agreements, charge fees and expenses to the funds held under the program or to persons establishing or owning accounts, make reports, retain designated administrators, employees, experts, and consultants, and do all other things necessary or convenient to implement sections 1 to 9 of this act.

Sec. 10. Section 68-1201, Revised Statutes Cumulative Supplement, 2014, is amended to read:

68-1201 In determining eligibility for the program for aid to dependent children pursuant to section 43-512, for the Supplemental Nutrition Assistance Program administered by the State of Nebraska pursuant to the federal Food and Nutrition Act of 2008, 7 U.S.C. 2011 et seq., and for the child care subsidy program established pursuant to section 85-1202, the following shall not be included in determining assets or income:
(1) Assets in or income from an educational savings account, a Coverdell educational savings account described in 26 U.S.C. 530, a qualified tuition program established pursuant to 26 U.S.C. 529, or any similar savings account or plan established to save for qualified higher education expenses as defined in section 85-1802;
(2) Income from scholarships or grants related to postsecondary education, whether merit-based, need-based, or a combination thereof; and
(3) Income from postsecondary educational work-study programs, whether federal, state, or private, funded by a postsecondary educational institution, or funded from any other source;
(4) Assets in or income from an account under a qualified program as provided in section 2 of this act.

Sec. 11. Section 72-1239.01, Reissue Revised Statutes of Nebraska, is amended to read:

72-1239.01 (1)(a) The appointed members of the Nebraska Investment Council shall have the responsibility for the investment management of the assets of the retirement systems administered by the Public Employees Retirement Board as provided in section 84-1503 and the assets of the Nebraska educational savings plans trust created pursuant to sections 85-1801 to 85-1814, and the assets of the achieving a better life experience program pursuant to sections 1 to 9 of this act. The appointed members shall be deemed fiduciaries with respect to the investment of the assets of the retirement systems and of the Nebraska educational savings plans trust, and of the achieving a better life experience program solely in the interests of the members and beneficiaries of the retirement systems or the interests of the participants and beneficiaries of the Nebraska educational savings plans trust and the achieving a better life experience program, as the case may be, for the exclusive purposes of providing benefits to members, members’ beneficiaries, participants, participants’ beneficiaries and defraying reasonable expenses incurred within the limitations and according to the powers, duties, and purposes prescribed by law.

(2)(a) The appointed members of the Nebraska Investment Council shall have the responsibility for the investment management of the assets of state funds. The appointed members shall be deemed fiduciaries with respect to the investment of the assets of state funds and shall be held to the standard of conduct of a fiduciary specified in subsection (3) of this section. The
loss that was deducted pursuant to such section in determining eligibility for
Revitalization Act.

under section 32 of the Internal Revenue Code of 1986, as amended
only if the individual would have received the federal credit allowed under
section 21 of the Internal Revenue Code; and

state funds so as to minimize risk of large losses, unless in light of such
circumstances it is clearly prudent not to do so. No assets of the retirement
systems, or the Nebraska educational savings plan trust, or the achieving a
total life experience program shall be invested or reinvested if the sole or
primary investment objective is for economic development or social purposes or
objectives.

Sec. 12. Section 77-2715.07, Revised Statutes Cumulative Supplement, 2014,
is amended to read:

77-2715.07 (1) There shall be allowed to qualified resident individuals as a
nonrefundable credit against the income tax imposed by the Nebraska Revenue
Act of 1967:

(a) A credit equal to the federal credit allowed under section 22 of the
Internal Revenue Code; and

(b) A credit for taxes paid to another state as provided in section
77-2730.

(2) There shall be allowed to qualified resident individuals against the
income tax imposed by the Nebraska Revenue Act of 1967:

(a) For returns filed reporting federal adjusted gross incomes of greater
than twenty-nine thousand dollars, a nonrefundable credit equal to twenty-five
percent of the federal credit allowed under section 21 of the Internal Revenue
Code of 1986, as amended, except that for taxable years beginning or deemed to
begin on or after January 1, 2015, such nonrefundable credit shall be allowed
only if the individual would have received the federal credit allowed under
section 21 of the code after adding back in any carryforward of a net operating
loss that was deducted pursuant to such section in determining eligibility for the
federal credit;

(b) For returns filed reporting federal adjusted gross income of twenty-
nine thousand dollars or less, a refundable credit equal to a percentage of the
federal credit allowable under section 21 of the Internal Revenue Code of 1986,
as amended, whether or not the federal credit was limited by the federal tax
liability. The percentage of the federal credit shall be one hundred percent
for incomes not greater than twenty-two thousand dollars, and the percentage
shall be reduced by ten percent for each one thousand dollars, or fraction
thereof, by which the reported federal adjusted gross income exceeds twenty-two
thousand dollars, except that for taxable years beginning or deemed to begin on
or after January 1, 2015, such refundable credit shall be allowed only if the
individual would have received the federal credit allowed under section 21 of the
code after adding back in any carryforward of a net operating loss that was
deducted pursuant to such section in determining eligibility for the federal
credit;

(c) A refundable credit as provided in section 77-5209.01 for individuals
who qualify for an income tax credit as a qualified beginning farmer or
livestock producer under the Beginning Farmer Tax Credit Act for all taxable
years beginning or deemed to begin on or after January 1, 2006, under the
Internal Revenue Code of 1986, as amended;

(d) A refundable credit for individuals who qualify for an income tax
credit under the Angel Investment Tax Credit Act, the Nebraska Advantage
Microenterprise Tax Credit Act, or the Nebraska Advantage Research and
Development Act; and

(e) A refundable credit equal to ten percent of the federal credit allowed
under section 32 of the Internal Revenue Code of 1986, as amended, except that
for taxable years beginning or deemed to begin on or after January 1, 2015,
such refundable credit shall be allowed only if the individual would have
received the federal credit allowed under section 32 of the code after adding
back in any carryforward of a net operating loss that was deducted pursuant to
such section in determining eligibility for the federal credit.

(3) There shall be allowed to all individuals as a nonrefundable credit
against the state tax imposed by the Nebraska Revenue Act of 1967:

(a) A credit for personal exemptions allowed under section 77-2716.01;

(b) A credit for contributions to certified community betterment programs
as provided in the Community Development Assistance Act. Each partner, each
shareholder of an electing subchapter S corporation, each beneficiary of an
estate or trust, or each member of a limited liability company shall report his or
her share of the credit in the same manner and proportion as he or she reports the
partnership, subchapter S corporation, estate, trust, or limited
liability company income;

(c) A credit for investment in a biodiesel facility as provided in section
77-27,236;

(d) A credit as provided in the New Markets Job Growth Investment Act; and

(e) A credit as provided in the Nebraska Job Creation and Mainstreet
Revitalization Act.
(4) There shall be allowed as a credit against the income tax imposed by the Nebraska Revenue Act of 1967:

(a) A credit to all resident estates and trusts for taxes paid to another state as provided in section 77-2736;

(b) A credit to all estates and trusts for contributions to certified community betterment programs as provided in the Community Development Assistance Act; and

(c) A refundable credit for individuals who qualify for an income tax credit as an owner of agricultural assets under the Beginning Farmer Tax Credit Act for all taxable years beginning or deemed to begin on or after January 1, 2009, under the Internal Revenue Code of 1986, as amended. The credit allowed for each partner, shareholder, member, or beneficiary of a partnership, corporation, limited liability company, or trust qualifying for a partial- or full-refundable credit against the income tax imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the partner's, shareholder's, member's, or beneficiary's portion of the amount of tax credit distributed pursuant to subsection (4) of section 77-5211.

(5)(a) For all taxable years beginning on or after January 1, 2007, and before January 1, 2009, under the Internal Revenue Code of 1986, as amended, there shall be allowed to each partner, shareholder, member, or beneficiary of a partnership, subchapter S corporation, limited liability company, or estate or trust a nonrefundable credit against the income tax imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the partner's, shareholder's, member's, or beneficiary's portion of the amount of franchise tax paid to the state under sections 77-3801 to 77-3807 by a financial institution.

(b) For all taxable years beginning on or after January 1, 2009, under the Internal Revenue Code of 1986, as amended, there shall be allowed to each partner, shareholder, member, or beneficiary of a partnership, subchapter S corporation, limited liability company, or estate or trust a nonrefundable credit against the income tax imposed by the Nebraska Revenue Act of 1967 equal to the partner's, shareholder's, member's, or beneficiary's portion of the amount of franchise tax paid to the state under sections 77-3801 to 77-3807 by a financial institution.

(c) Each partner, shareholder, member, or beneficiary shall report his or her share of the credit in the same manner and proportion as he or she reports the partnership, subchapter S corporation, limited liability company, or estate or trust income. If any partner, shareholder, member, or beneficiary cannot fully utilize the credit for that year, the credit may not be carried forward or back.

Sec. 13. Section 77-2716, Revised Statutes Cumulative Supplement, 2014, is amended to read:

77-2716 (1) The following adjustments to federal adjusted gross income or, for corporations and fiduciaries, federal taxable income shall be made for interest or dividends received:

(a) There shall be subtracted interest or dividends received by the owner of obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent includable in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States.

(b) There shall be subtracted that portion of the total dividends and other income received from a regulated investment company which is attributable to obligations described in subdivision (a) of this subsection as reported to the recipient by the regulated investment company;

(c) There shall be added interest or dividends received by the owner of obligations of the District of Columbia, other states of the United States, or their political subdivisions, authorities, commissions, or instrumentalties to the extent excluded in the computation of gross income for federal income tax purposes except that such interest or dividends shall not be added if received by a corporation which is a regulated investment company;

(d) There shall be added that portion of the total dividends and other income received from a regulated investment company which is attributable to obligations described in subdivision (c) of this subsection and excluded for federal income tax purposes as reported to the recipient by the regulated investment company; and

(e)(i) Any amount subtracted under this subsection shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this subsection or the investment in the regulated investment company and by any expenses incurred in the production of interest or dividend income described in this subsection to the extent that such expenses, including amortizable bond premiums, are deductible in determining federal taxable income.

(ii) Any amount added under this subsection shall be reduced by any expenses incurred in the production of such income to the extent disallowed in the computation of federal taxable income.

(2) There shall be allowed a net operating loss derived from or connected with Nebraska sources computed under rules and regulations adopted and promulgated by the Tax Commissioner consistent, to the extent possible under the Nebraska Revenue Act of 1967, with the laws of the United States. For a resident individual, estate, or trust, the net operating loss computed on the federal income tax return shall be adjusted by the modifications contained in this section. For a nonresident individual, estate, or trust or for a partial-year resident individual, the net operating loss computed on the federal return shall be adjusted by the modifications contained in this section and any
carryovers or carrybacks shall be limited to the portion of the loss derived from or connected with Nebraska sources. The result of such calculation shall be computed in the following manner:

(a) The amount of federal taxable income from operations within a foreign taxing jurisdiction shall be reduced by the amount of taxes actually paid to the foreign taxing jurisdiction that are not deductible solely because the foreign tax credit exceeded the income tax withholding on the amount of tax paid to the foreign taxing jurisdiction.

(b) The amount of after-tax income shall be divided by one minus the maximum tax rate for corporations in the Internal Revenue Code; and

(c) For a corporation with a unitary business having activity both inside and outside the state, the increase shall be distributed to the partners, members, shareholders, patrons, or beneficiaries in the same manner as income is distributed for use against their income tax liabilities.

(c) Federal adjusted gross income or, for corporations and fiduciaries, federal taxable income shall be increased by the amount resulting from the cancellation of a participation agreement refunded to the taxpayer as a contribution to the trust or in the achieving a better life experience program as provided in sections 1 to 9 of this act, if applicable.

(9)(a) For income tax returns filed after September 10, 2001, for taxable years beginning on or after January 1, 2007, the amount of any state income tax refund to the extent such refund was deducted under the Internal Revenue Code, was not allowed in the computation of the tax due under the Nebraska Revenue Act of 1967, and is included in federal adjusted gross income. The amount of any state income tax refund to the extent such refund was deducted under the Internal Revenue Code, was not allowed in the computation of the tax due under the Nebraska Revenue Act of 1967, and is included in federal adjusted gross income.

(b) The result of such calculation, if greater than zero, shall be subtracted from federal taxable income.

(7) Federal adjusted gross income shall be modified to exclude any amount repaid by the taxpayer for which a reduction in federal tax is allowed under section 1341(a)(5) of the Internal Revenue Code.

(b) Federal adjusted gross income or, for corporations and fiduciaries, federal taxable income shall be reduced by the amount included, by income from interest, earnings, and state contributions received from the Nebraska educational savings plan trust created in sections 85-1801 to 85-1814 and the achieving a better life experience program as provided in sections 1 to 9 of this act.

(c) Federal adjusted gross income or, for corporations and fiduciaries, federal taxable income shall be increased by the amount resulting from the cancellation of a participation agreement refunded to the taxpayer as a contribution to the trust or in the achieving a better life experience program as provided in sections 1 to 9 of this act, if applicable.

(9)(a) For income tax returns filed after September 10, 2001, for taxable years beginning on or deemed to begin before January 1, 2006, under the Internal Revenue Code of 1986, as amended, federal adjusted gross income or, for corporations and fiduciaries, federal taxable income shall be increased by eighty-five percent of any amount of any federal bonus depreciation received under the federal Jobs and Growth Tax Act of 2003, under section 168(k) or section 1400L of the Internal Revenue Code of 1986, as amended, for assets placed in service after September 10, 2001, and before December 31, 2005.

(b) For a partnership, limited liability company, cooperative, including any cooperative exempt from income tax under section 521 of the Internal Revenue Code of 1986, as amended, limited cooperative association, subchapter S corporation, or joint venture, the increase shall be distributed to the partners, members, shareholders, patrons, or beneficiaries in the same manner as income is distributed for use against their income tax liabilities.

(c) For a corporation with a unitary business having activity both inside and outside the state, the increase shall be apportioned to Nebraska in the same manner as income is apportioned to the state by section 77-2734.05.
(d) The amount of bonus depreciation added to federal adjusted gross income or, for corporations and fiduciaries, federal taxable income by this subsection, is subtracted by the individual, and after a participation agreement is made or may elect to exclude fifteen percent of his or her military retirement benefit income for all taxable years beginning with the year in which the election is made or may elect to exclude fifteen percent of his or her military retirement benefit income for all taxable years beginning with the year in which he or she turns sixty-seven years of age. For purposes of this subsection, military retirement benefit means retirement benefits that are made or may be subtracted in the first taxable year beginning or deemed to begin on or after January 1, 2003, when the election to read:

Sec. 14. Section 77-3504, Reissue Revised Statutes of Nebraska, is amended to read:

77-3504 Household income means the total federal adjusted gross income, as defined in the Internal Revenue Code, plus (1) any Nebraska adjustments increasing the total federal adjusted gross income, (2) any interest or dividends received by the owner regarding obligations of the State of Nebraska or any political subdivision, authority, commission, or instrumentality thereof to the extent excluded in the computation of gross income for federal income tax purposes, (3) any social security or railroad retirement benefit to the extent excluded in the computation of gross income for federal income tax purposes, and (4) any carryforward of a net operating loss to the extent deducted for federal income tax purposes, of the claimant and spouse, and any additional owners who are natural persons and who occupy the homestead, for the taxable year of the claimant immediately prior to the year for which the claim for exemption is made, less all medical expenses actually incurred and paid by the claimant, his or her spouse, or any owner-occupant which are in excess of
four percent of household income calculated prior to the deduction for medical expenses. For purposes of this section, medical expenses means the costs of health insurance premiums and the costs of goods and services purchased from a person licensed under the Uniform Credentialing Act or a health care facility or health care service licensed under the Health Care Facility Licensure Act for purposes of restoring or maintaining health, including insulin and prescription medicine, but not including nonprescription medicine.

Sec. 15. Section 84-618, Reissue Revised Statutes of Nebraska, is amended to read:

84-618 (1) The Treasury Management Cash Fund is created. A pro rata share of the budget appropriated for the treasury management functions of the State Treasurer and for the administration of the achieving a better life experience program as provided in sections 1 to 9 of this act shall be charged to the income of each fund held in invested cash, and such charges shall be transferred to the Treasury Management Cash Fund. The allocation of charges may be made by any method determined to be reasonably related to actual costs incurred by the State Treasurer in carrying out the treasury management functions under section 84-602 and in carrying out the achieving a better life experience program as provided in sections 1 to 9 of this act. Approval of the agencies, boards, and commissions administering these funds shall not be required.

(2) It is the intent of this section to have funds held in invested cash be charged a pro rata share of such expenses the treasury management expense when this is not prohibited by statute or the Constitution of Nebraska.

(3) The Treasury Management Cash Fund shall be used for the treasury management functions of the State Treasurer and for the administration of the achieving a better life experience program as provided in sections 1 to 9 of this act. To the extent permitted by section 529A as defined in section 1 of this act, the fund may receive gifts for administration, operation, and maintenance of a program established under sections 3 to 9 of this act.

(4) Transfers may be made from the Treasury Management Cash Fund to the General Fund at the direction of the Legislature. Any money in the Treasury Management Cash Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 16. Sections 14 and 17 of this act become operative on January 1, 2016. The other sections of this act become operative on their effective date.

Sec. 17. Original section 77-3504, Reissue Revised Statutes of Nebraska, is repealed.

Sec. 18. Original sections 72-1239.01 and 84-618, Reissue Revised Statutes of Nebraska, and sections 68-1201, 77-2715.07, and 77-2716, Revised Statutes Cumulative Supplement, 2014, are repealed.

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