

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 331**

FINAL READING

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

Read first time January 12, 2017

Committee: Appropriations

1 A BILL FOR AN ACT relating to funds; to amend sections 12-1301, 19-102,  
2 19-103, 29-4115.01, 37-327.02, 48-1,116, 48-735.01, 60-3,218,  
3 68-940.01, 71-1001, 71-7450, 81-125.01, 81-179, 81-188.01, 81-405,  
4 81-638, 81-885.15, 81-1558, 81-15,175, and 86-324, Reissue Revised  
5 Statutes of Nebraska, and sections 2-1222, 7-209, 47-632,  
6 59-1608.04, 60-6,211.05, 60-1409, 61-218, 66-204, 66-4,100, 66-1345,  
7 66-1519, 71-7611, 72-1001, 72-2211, 77-2715.01, 77-27,132, 81-406,  
8 81-12,160, 81-12,162, 81-3432, 82-331, 85-1414.01, and 86-463,  
9 Revised Statutes Cumulative Supplement, 2016; to provide for,  
10 change, and eliminate transfers; to create and provide for  
11 termination of funds; to change provisions governing administration,  
12 maintenance, and use of funds, grants, and financial assistance; to  
13 change the reserve requirement; to eliminate obsolete provisions; to  
14 harmonize provisions; to repeal the original sections; and to  
15 declare an emergency.  
16 Be it enacted by the people of the State of Nebraska,

1           Section 1. The State Treasurer shall transfer \$221,000,000 from the  
2 General Fund to the Property Tax Credit Cash Fund on or before December  
3 15, 2017, on such date as directed by the budget administrator of the  
4 budget division of the Department of Administrative Services.

5           Sec. 2. The State Treasurer shall transfer \$221,000,000 from the  
6 General Fund to the Property Tax Credit Cash Fund on or before December  
7 15, 2018, on such date as directed by the budget administrator of the  
8 budget division of the Department of Administrative Services.

9           Sec. 3. The State Treasurer shall transfer \$10,670,000 from the  
10 General Fund to the Water Sustainability Fund on or before June 30, 2018,  
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 \$9,470,000 from the  
14 General Fund to the Water Sustainability Fund on or before June 30, 2019,  
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 \$3,300,000 from the  
18 General Fund to the Water Resources Cash Fund on or before June 30, 2018,  
19 on such dates and in such amounts as directed by the budget administrator  
20 of the budget division of the Department of Administrative Services.

21           Sec. 6. The State Treasurer shall transfer \$3,300,000 from the  
22 General Fund to the Water Resources Cash Fund on or before June 30, 2019,  
23 on such dates and in such amounts as directed by the budget administrator  
24 of the budget division of the Department of Administrative Services.

25           Sec. 7. The State Treasurer shall transfer \$1,200,000 from the  
26 Health and Human Services Cash Fund to the General Fund on or before June  
27 30, 2018, at the direction of the budget administrator of the budget  
28 division of the Department of Administrative Services. It is the intent  
29 of the Legislature that the transfer to the General Fund in this section  
30 be from funds credited to the False Medicaid Claims Act Cash Fund, a  
31 subfund of the Health and Human Services Cash Fund.

1           Sec. 8. The State Treasurer shall transfer up to \$1,500,000 from  
2 the Petroleum Release Remedial Action Cash Fund to the Superfund Cost  
3 Share Cash Fund on or before June 30, 2018, on such dates and in such  
4 amounts as directed by the budget administrator of the budget division of  
5 the Department of Administrative Services. Transfers shall be made as  
6 required by the Department of Environmental Quality and used pursuant to  
7 subdivision (2)(i) of section 66-1519.

8           Sec. 9. The State Treasurer shall transfer up to \$1,500,000 from  
9 the Petroleum Release Remedial Action Cash Fund to the Superfund Cost  
10 Share Cash Fund on or before June 30, 2019, on such dates and in such  
11 amounts as directed by the budget administrator of the budget division of  
12 the Department of Administrative Services. Transfers shall be made as  
13 required by the Department of Environmental Quality and used pursuant to  
14 subdivision (2)(i) of section 66-1519.

15           Sec. 10. The State Treasurer shall transfer \$700,000 from the  
16 Nebraska Litter Reduction and Recycling Fund to the General Fund on or  
17 before June 30, 2018, on such dates and in such amounts as directed by  
18 the budget administrator of the budget division of the Department of  
19 Administrative Services.

20           Sec. 11. The State Treasurer shall transfer \$200,000 from the  
21 Nebraska Litter Reduction and Recycling Fund to the General Fund on or  
22 before June 30, 2019, on such dates and in such amounts as directed by  
23 the budget administrator of the budget division of the Department of  
24 Administrative Services.

25           Sec. 12. There is hereby created the Shared Services Revolving  
26 Fund. The fund shall be administered by the Department of Administrative  
27 Services. The fund shall consist of money received from state agencies,  
28 boards, commissions, political subdivisions, and other governmental  
29 entities for shared services provided by the department. Shared services  
30 include, but are not limited to, human resource management including  
31 payroll processing, process improvement projects, and financial services.

1 Billings for shared services shall be adequate to cover actual and  
2 necessary expenses associated with providing these services. The fund  
3 shall be used to pay for the administrative expenses incurred by the  
4 department to provide such services. Any money in the fund available for  
5 investment shall be invested by the state investment officer pursuant to  
6 the Nebraska Capital Expansion Act and the Nebraska State Funds  
7 Investment Act.

8       Sec. 13. There is hereby created the Combined Law Enforcement  
9 Information Network Cash Fund. The fund shall be maintained by the  
10 Nebraska State Patrol and administered by the Superintendent of Law  
11 Enforcement and Public Safety. The fund shall consist of fees collected  
12 by the Nebraska State Patrol from users of the network and shall be used  
13 to pay the costs of operating, maintaining, and enhancing the network.  
14 Any money in the fund available for investment shall be invested by the  
15 state investment officer pursuant to the Nebraska Capital Expansion Act  
16 and the Nebraska State Funds Investment Act.

17       Sec. 14. There is hereby created the Treasury Agency Forfeitures  
18 Cash Fund. All forfeitures and proceeds received by the Nebraska State  
19 Patrol under the federal equitable sharing provisions distributed by  
20 federal Treasury agencies as of July 1, 2017, shall be deposited in the  
21 fund. This section shall not apply to funds otherwise subject to sections  
22 28-431 and 28-1439.02. The fund shall be used only in accordance with the  
23 applicable requirements of the federal government. The fund shall be  
24 administered by the Superintendent of Law Enforcement and Public Safety.  
25 Any money in the fund available for investment shall be invested by the  
26 state investment officer pursuant to the Nebraska Capital Expansion Act  
27 and the Nebraska State Funds Investment Act.

28       Sec. 15. There is hereby created the Accounting Division Cash Fund.  
29 The fund shall be administered by the Department of Administrative  
30 Services. The fund shall consist of funds transferred from the State  
31 Building Renewal Assessment Fund and the Building Renewal Allocation

1 Fund. The Accounting Division Cash Fund shall be used to finance the  
2 consolidation, implementation, operation, and migration of the state's  
3 existing enterprise resourcing planning (ERP) platform, the human  
4 resource management platform, an eProcurement platform, and other  
5 financial record-keeping platforms to an off-premise software driven  
6 platform or platforms. Any money in the fund available for investment  
7 shall be invested by the state investment officer pursuant to the  
8 Nebraska Capital Expansion Act and the Nebraska State Funds Investment  
9 Act.

10       Sec. 16. Section 2-1222, Revised Statutes Cumulative Supplement,  
11 2016, is amended to read:

12       2-1222 There is hereby created the Racing Commission's Cash Fund  
13 from which shall be appropriated such amounts as are available therefrom  
14 and as shall be considered incident to the administration of the State  
15 Racing Commission's office. The fund shall contain all license fees and  
16 gross receipt taxes collected by the commission as provided under  
17 sections 2-1203, 2-1203.01, and 2-1208 but shall not include taxes  
18 collected pursuant to section 2-1208.01, and such fees and taxes  
19 collected shall be remitted to the State Treasurer for credit to the  
20 Racing Commission's Cash Fund. Money in the fund may be transferred to  
21 the General Fund at the direction of the Legislature. The State Treasurer  
22 shall transfer one hundred fifty thousand dollars from the fund to the  
23 General Fund on or before June 15, 2018, on such dates and in such  
24 amounts as directed by the budget administrator of the budget division of  
25 the Department of Administrative Services. Any money in the Racing  
26 Commission's Cash Fund fund available for investment shall be invested by  
27 the state investment officer pursuant to the Nebraska Capital Expansion  
28 Act and the Nebraska State Funds Investment Act.

29       Sec. 17. Section 7-209, Revised Statutes Cumulative Supplement,  
30 2016, is amended to read:

31       7-209 The Legal Education for Public Service and Rural Practice Loan

1   Repayment Assistance Fund is created. The fund shall consist of funds  
2   appropriated or transferred by the Legislature, funds donated to the  
3   legal education for public legal service and rural practice loan  
4   repayment assistance program pursuant to section 7-208, and application  
5   fees collected under the Legal Education for Public Service and Rural  
6   Practice Loan Repayment Assistance Act. Any money in the Legal Education  
7   for Public Service Loan Repayment Fund on July 18, 2014, shall be  
8   transferred to the Legal Education for Public Service and Rural Practice  
9   Loan Repayment Assistance Fund. Any money in the fund available for  
10   investment shall be invested by the state investment officer pursuant to  
11   the Nebraska Capital Expansion Act and the Nebraska State Funds  
12   Investment Act.

13       The unexpended, unobligated balance in the Legal Education for  
14   Public Service and Rural Practice Loan Repayment Assistance Fund existing  
15   on June 30, 2017, shall be transferred to the General Fund on or before  
16   July 30, 2017, as directed by the budget administrator of the budget  
17   division of the Department of Administrative Services.

18       Sec. 18. Section 12-1301, Reissue Revised Statutes of Nebraska, is  
19   amended to read:

20       12-1301 (1) The Director of Veterans' Affairs may establish and  
21   operate a state veteran cemetery system consisting of a facility in Box  
22   Butte County, a facility in Sarpy County, and the Nebraska Veterans'  
23   Memorial Cemetery in Hall County. The director may seek and expend  
24   private, state, and federal funds for the establishment, construction,  
25   maintenance, administration, and operation of the cemetery system as  
26   provided in this section. Any gift, bequest, or devise of real property  
27   and any acquisition of real property with the proceeds of a donation,  
28   gift, bequest, devise, or grant from an individual, an organization, a  
29   corporation, a foundation, or a similar entity or from a nonfederal  
30   governmental agency for the cemetery system shall be subject to the  
31   approval requirements of section 81-1108.33 notwithstanding the value of

1 the real property. All funds received for the construction of the  
2 cemetery system shall be remitted to the State Treasurer for credit to  
3 the Veteran Cemetery Construction Fund. Any funds remaining in the  
4 Veteran Cemetery Construction Fund following the completion of  
5 construction of the three facilities comprising the state veteran  
6 cemetery system shall upon such completion be transferred to the Nebraska  
7 Veteran Cemetery System Endowment Fund, and the Veteran Cemetery  
8 Construction Fund shall thereafter terminate.

9 (2)(a) A trust fund to be known as the Nebraska Veteran Cemetery  
10 System Endowment Fund is hereby created. The fund shall consist of:

11 (i) Gifts, bequests, grants, or contributions from private or public  
12 sources designated for the maintenance, administration, or operation of  
13 the state veteran cemetery system;

14 (ii) Any funds transferred from the Veteran Cemetery Construction  
15 Fund following the completion of construction of the three facilities  
16 comprising the state veteran cemetery system; and

17 (iii) Following the termination of the Veteran Cemetery Construction  
18 Fund, any funds received by the state from any source for the state  
19 veteran cemetery system.

20 (b) No revenue from the General Fund shall be remitted to the  
21 Nebraska Veteran Cemetery System Endowment Fund. The Legislature shall  
22 not appropriate or transfer money from the Nebraska Veteran Cemetery  
23 System Endowment Fund for any purpose other than as provided in this  
24 section. Any money in the Nebraska Veteran Cemetery System Endowment Fund  
25 available for investment shall be invested by the state investment  
26 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
27 State Funds Investment Act. No portion of the principal of the Nebraska  
28 Veteran Cemetery System Endowment Fund shall be expended for any purpose  
29 except investment pursuant to this subdivision. All investment earnings  
30 from the Nebraska Veteran Cemetery System Endowment Fund shall be  
31 credited on a quarterly basis to the Nebraska Veteran Cemetery System

1 Operation Fund.

2 (3) There is hereby created the Nebraska Veteran Cemetery System  
3 Operation Fund. Money in the fund shall be used for the operation,  
4 administration, and maintenance of the state veteran cemetery system. Any  
5 money in the fund available for investment shall be invested by the state  
6 investment officer pursuant to the Nebraska Capital Expansion Act and the  
7 Nebraska State Funds Investment Act.

8 (4) The director may make formal application to the federal  
9 government regarding federal financial assistance for the construction of  
10 any of the facilities comprising the state veteran cemetery system which  
11 is located in a county with a population of less than one hundred  
12 thousand persons when he or she determines that the requirements for such  
13 assistance have been met.

14 (5) The director may make formal application to the federal  
15 government regarding financial assistance for the construction of any  
16 facility comprising a portion of the state veteran cemetery system  
17 located in a county with a population of more than one hundred thousand  
18 persons when sufficient funds have been remitted to the Nebraska Veteran  
19 Cemetery System Endowment Fund such that (a) the projected annual  
20 earnings from such fund available for transfer to the Nebraska Veteran  
21 Cemetery System Operation Fund plus (b) the projected annual value of  
22 formal agreements that have been entered into between the state and any  
23 political subdivisions or private entities to subsidize or undertake the  
24 operation, administration, or maintenance of any of the facilities within  
25 the state veteran cemetery system, has a value that is sufficient to fund  
26 the operation, administration, and maintenance of any cemetery created  
27 pursuant to this subsection.

28 (6) The director may expend such funds as may be available for any  
29 of the purposes authorized in this section.

30 (7) The director, with the approval of the Governor, may enter into  
31 agreements for cemetery construction, administration, operation, or



1 maintenance with qualified persons, political subdivisions, or business  
2 entities. The director shall provide lots in the cemetery system for the  
3 interment of deceased veterans as defined by the National Cemetery  
4 Administration of the United States Department of Veterans Affairs. The  
5 director shall provide lots for the interment of those veterans' spouses,  
6 minor children, and unmarried adult children who were physically or  
7 mentally disabled and incapable of self-support. Section 12-501 does not  
8 apply to the state veteran cemetery system.

9 (8) The Veteran Cemetery Construction Fund is created. Any money in  
10 the fund available for investment shall be invested by the state  
11 investment officer pursuant to the Nebraska Capital Expansion Act and the  
12 Nebraska State Funds Investment Act. The balance in the Veteran Cemetery  
13 Construction Fund shall be transferred to the General Fund on or before  
14 June 30, 2018, as directed by the budget administrator of the budget  
15 division of the Department of Administrative Services.

16 (9) The director may adopt and promulgate rules and regulations to  
17 carry out this section. The rules and regulations shall include  
18 requirements for proof of residency, cost of burial if any, and standards  
19 for cemeteries, including decorations and headstones.

20 Sec. 19. Section 19-102, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 19-102 There is hereby created the City of the Primary Class  
23 Development Fund. Amounts credited to the fund pursuant to section  
24 77-2602 shall, upon appropriation by the Legislature, be first expended  
25 to support the design and development of the Antelope Valley project and  
26 financing costs related thereto for the Antelope Valley Study as outlined  
27 in the Environmental Impact Statement and Comprehensive Plan Amendment  
28 94-60 to the 1994 Lincoln/Lancaster County Comprehensive Plan. Any money  
29 in the fund available for investment shall be invested by the state  
30 investment officer pursuant to the Nebraska Capital Expansion Act and the  
31 Nebraska State Funds Investment Act.

1 No distribution from the fund shall be made unless the city of the  
2 primary class provides matching funds equal to the ratio of one dollar  
3 for each three dollars of the state distribution. Funds derived from any  
4 state source may not be utilized as matching funds for purposes of this  
5 section.

6 The State Treasurer shall transfer the unobligated balance in the  
7 City of the Primary Class Development Fund to the General Fund on July 1,  
8 2017, or as soon thereafter as administratively possible, on such date as  
9 directed by the budget administrator of the budget division of the  
10 Department of Administrative Services. On July 8, 2017, the City of the  
11 Primary Class Development Fund shall terminate.

12 Sec. 20. Section 19-103, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 19-103 There is hereby created the City of the Metropolitan Class  
15 Development Fund. Amounts credited to the fund pursuant to section  
16 77-2602 shall, upon appropriation by the Legislature, be first expended  
17 to support the design and development of the redevelopment projects  
18 within the riverfront redevelopment plan designated for the area along  
19 the Missouri River generally north of Interstate 480 to Interstate 680 by  
20 the city of Omaha, except that each fiscal year there shall be no  
21 distribution from the fund until the finance director of the city  
22 certifies that other funds have been encumbered for that calendar year by  
23 the city to pay the cost of the combined sewer separation program project  
24 east of Seventy-second Street in the city of Omaha. Such certification  
25 shall be required only until such sewer separation project is completed  
26 or until no cigarette tax money is available to the fund. The amount  
27 certified shall be at least seven million dollars each calendar year  
28 until 2007 and at least four million dollars each calendar year  
29 thereafter. The sewer separation project has such a significant impact on  
30 the health and welfare of such a large percentage of the population and  
31 on public health in general that the project is a matter of statewide

1 concern. Any money in the fund available for investment shall be invested  
2 by the state investment officer pursuant to the Nebraska Capital  
3 Expansion Act and the Nebraska State Funds Investment Act.

4 No distribution from the fund shall be made unless the city of the  
5 metropolitan class provides matching funds equal to the ratio of one  
6 dollar for each three dollars of the state distribution. Funds derived  
7 from any state source may not be utilized as matching funds for purposes  
8 of this section.

9 The State Treasurer shall transfer the unobligated balance in the  
10 City of the Metropolitan Class Development Fund to the General Fund on  
11 July 1, 2017, or as soon thereafter as administratively possible, on such  
12 date as directed by the budget administrator of the budget division of  
13 the Department of Administrative Services. On July 8, 2017, the City of  
14 the Metropolitan Class Development Fund shall terminate.

15 Sec. 21. Section 29-4115.01, Reissue Revised Statutes of Nebraska,  
16 is amended to read:

17 29-4115.01 The State DNA Sample and Data Base Fund is created. The  
18 fund shall be maintained by the Nebraska State Patrol and administered by  
19 the Superintendent of Law Enforcement and Public Safety Department of  
20 Justice and administered by the Attorney General. The fund shall consist  
21 of any funds transferred to the fund by the Legislature or made available  
22 by any department or agency of the United States Government if so  
23 directed by such department or agency. The fund shall be used to pay the  
24 expenses of the Department of Correctional Services and the Nebraska  
25 State Patrol as needed to collect DNA samples as provided in section  
26 29-4106. Any money in the fund available for investment shall be invested  
27 by the state investment officer pursuant to the Nebraska Capital  
28 Expansion Act and the Nebraska State Funds Investment Act.

29 Sec. 22. Section 37-327.02, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 37-327.02 The Game and Parks Commission Capital Maintenance Fund is

1 created. The fund shall consist of money credited to the fund pursuant to  
2 section 77-27,132, transfers authorized by the Legislature, and any  
3 gifts, grants, bequests, or donations to the fund. The fund shall be  
4 administered by the commission and shall be used to build, repair,  
5 renovate, rehabilitate, restore, modify, or improve any infrastructure  
6 within the statutory authority and administration of the commission. Any  
7 money in the fund available for investment shall be invested by the state  
8 investment officer pursuant to the Nebraska Capital Expansion Act and the  
9 Nebraska State Funds Investment Act.

10 Transfers may be made from the Game and Parks Commission Capital  
11 Maintenance Fund to the General Fund at the direction of the Legislature  
12 through June 30, 2019. The State Treasurer shall transfer four million  
13 five hundred thousand dollars from the Game and Parks Commission Capital  
14 Maintenance Fund to the General Fund between June 1, 2018, and June 30,  
15 2018, on such date as directed by the budget administrator of the budget  
16 division of the Department of Administrative Services. The State  
17 Treasurer shall transfer four million five hundred thousand dollars from  
18 the Game and Parks Commission Capital Maintenance Fund to the General  
19 Fund between June 1, 2019, and June 30, 2019, on such date as directed by  
20 the budget administrator of the budget division of the Department of  
21 Administrative Services.

22 Sec. 23. Section 47-632, Revised Statutes Cumulative Supplement,  
23 2016, is amended to read:

24 47-632 (1) The Community Corrections Uniform Data Analysis Cash Fund  
25 is created. Except as provided in subsections (2), ~~and~~ (3), and (4) of  
26 this section, the fund shall be within the Nebraska Commission on Law  
27 Enforcement and Criminal Justice, shall be administered by the division,  
28 and shall only be used to support operations costs and analysis relating  
29 to the implementation and coordination of the uniform analysis of crime  
30 data pursuant to the Community Corrections Act, including associated  
31 information technology projects. The fund shall consist of money

1 collected pursuant to section 47-633.

2 (2) Transfers may be made from the fund to the General Fund at the  
3 direction of the Legislature.

4 (3) The State Treasurer shall transfer the following amounts from  
5 the Community Corrections Uniform Data Analysis Cash Fund to the Violence  
6 Prevention Cash Fund:

7 (a) Two hundred thousand dollars on July 1, 2011, or as soon  
8 thereafter as administratively possible; and

9 (b) Two hundred thousand dollars on July 1, 2012, or as soon  
10 thereafter as administratively possible.

11 (4) The State Treasurer shall transfer the following amounts from  
12 the Community Corrections Uniform Data Analysis Cash Fund to the Nebraska  
13 Law Enforcement Training Center Cash Fund:

14 (a) Two hundred thousand dollars on July 1, 2017, or as soon  
15 thereafter as administratively possible; and

16 (b) Two hundred thousand dollars on July 1, 2018, or as soon  
17 thereafter as administratively possible.

18 (5) (4) Any money in the Community Corrections Uniform Data Analysis  
19 Cash Fund available for investment shall be invested by the state  
20 investment officer pursuant to the Nebraska Capital Expansion Act and the  
21 Nebraska State Funds Investment Act.

22 Sec. 24. Section 48-1,116, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 48-1,116 The Compensation Court Cash Fund is hereby created. The  
25 fund shall be used to aid in providing for the expense of administering  
26 the Nebraska Workers' Compensation Act and the payment of the salaries  
27 and expenses of the personnel of the Nebraska Workers' Compensation  
28 Court, ~~except that transfers may be made from the fund to the General~~  
29 ~~Fund at the direction of the Legislature through June 30, 2011.~~

30 The State Treasurer shall transfer one million five hundred thousand  
31 dollars from the Compensation Court Cash Fund to the General Fund after

1 June 15, 2018, and before June 30, 2018, on such dates as directed by the  
2 budget administrator of the budget division of the Department of  
3 Administrative Services.

4 All fees received pursuant to sections 48-120, 48-120.02, 48-138,  
5 48-139, 48-145.04, and 48-165 shall be remitted to the State Treasurer  
6 for credit to the Compensation Court Cash Fund. The fund shall also  
7 consist of amounts credited to the fund pursuant to sections 48-1,113,  
8 48-1,114, and 77-912. The State Treasurer may receive and credit to the  
9 fund any money which may at any time be contributed to the state or the  
10 fund by the federal government or any agency thereof to which the state  
11 may be or become entitled under any act of Congress or otherwise by  
12 reason of any payment made from the fund.

13 Any money in the fund available for investment shall be invested by  
14 the state investment officer pursuant to the Nebraska Capital Expansion  
15 Act and the Nebraska State Funds Investment Act.

16 Sec. 25. Section 48-735.01, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 48-735.01 The Boiler Inspection Cash Fund is created. The  
19 commissioner shall use the fund for the administration of the boiler  
20 inspection program pursuant to the Boiler Inspection Act. The fund shall  
21 consist of money appropriated to it by the Legislature and fees collected  
22 in the administration of the act. Fees so collected shall be remitted to  
23 the State Treasurer with an itemized statement showing the source of  
24 collection. The State Treasurer shall credit the fees to the fund and the  
25 money in the fund shall not lapse into the General Fund, except that  
26 money in the Boiler Inspection Cash Fund may be transferred to the  
27 General Fund at the direction of the Legislature. Any money in the Boiler  
28 Inspection Cash Fund available for investment shall be invested by the  
29 state investment officer pursuant to the Nebraska Capital Expansion Act  
30 and the Nebraska State Funds Investment Act.

31 The State Treasurer shall transfer one hundred fifty thousand

1 dollars from the Boiler Inspection Cash Fund to the General Fund on or  
2 before June 15, 2018, on such dates and in such amounts as directed by  
3 the budget administrator of the budget division of the Department of  
4 Administrative Services.

5       Sec. 26. Section 59-1608.04, Revised Statutes Cumulative Supplement,  
6 2016, is amended to read:

7       59-1608.04 (1) The State Settlement Cash Fund is created. The fund  
8 shall be maintained by the Department of Justice and administered by the  
9 Attorney General. Except as otherwise provided by law, the fund shall  
10 consist of all recoveries received pursuant to the Consumer Protection  
11 Act, including any money, funds, securities, or other things of value in  
12 the nature of civil damages or other payment, except criminal penalties,  
13 whether such recovery is by way of verdict, judgment, compromise, or  
14 settlement in or out of court, or other final disposition of any case or  
15 controversy, or any other payments received on behalf of the state by the  
16 Department of Justice and administered by the Attorney General for the  
17 benefit of the state or the general welfare of its citizens, but  
18 excluding all funds held in a trust capacity where specific benefits  
19 accrue to specific individuals, organizations, or governments. The fund  
20 may be expended for any allowable legal purposes as determined by the  
21 Attorney General. Transfers from the State Settlement Cash Fund may be  
22 made at the direction of the Legislature to the Nebraska Capital  
23 Construction Fund and the General Fund. To provide necessary financial  
24 accountability and management oversight, revenue from individual  
25 settlement agreements or other separate sources credited to the State  
26 Settlement Cash Fund may be tracked and accounted for within the state  
27 accounting system through the use of separate and distinct funds,  
28 subfunds, or any other available accounting mechanism specifically  
29 approved by the Accounting Administrator for use by the Department of  
30 Justice. Any money in the fund available for investment shall be invested  
31 by the state investment officer pursuant to the Nebraska Capital

1 Expansion Act and the Nebraska State Funds Investment Act.

2 (2) The State Treasurer shall transfer two million five hundred  
3 thousand dollars from the State Settlement Cash Fund to the Nebraska  
4 Capital Construction Fund on July 1, 2013, or as soon thereafter as  
5 administratively possible.

6 (3) The State Treasurer shall transfer seven hundred fifty thousand  
7 dollars from the State Settlement Cash Fund to the General Fund on or  
8 before June 30, 2018, on such dates and in such amounts as directed by  
9 the budget administrator of the budget division of the Department of  
10 Administrative Services.

11 (4) The State Treasurer shall transfer seven hundred fifty thousand  
12 dollars from the State Settlement Cash Fund to the General Fund on or  
13 before June 30, 2019, on such dates and in such amounts as directed by  
14 the budget administrator of the budget division of the Department of  
15 Administrative Services.

16 Sec. 27. Section 60-3,218, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 60-3,218 (1) There is hereby created the Nebraska Snowmobile Trail  
19 Cash Fund into which shall be deposited the portion of the fees collected  
20 from snowmobile registration as provided in section 60-3,217.

21 (2) The Game and Parks Commission shall use the money in the  
22 Nebraska Snowmobile Trail Cash Fund for the operation, maintenance,  
23 enforcement, planning, establishment, and marking of snowmobile trails  
24 throughout the state and for the acquisition by purchase or lease of real  
25 property to carry out the provisions of this section.

26 (3) The commission shall establish rules and regulations pertaining  
27 to the use and maintenance of snowmobile trails.

28 (4) Transfers may be made from the Nebraska Snowmobile Trail Cash  
29 Fund to the General Fund at the direction of the Legislature ~~through June~~  
30 ~~30, 2011~~. Any money in the Nebraska Snowmobile Trail Cash Fund available  
31 for investment shall be invested by the state investment officer pursuant



1 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
2 Investment Act.

3 (5) The State Treasurer shall transfer the unobligated June 30,  
4 2017, balance in the Nebraska Snowmobile Trail Cash Fund to the General  
5 Fund on or before July 31, 2017, on such date as directed by the budget  
6 administrator of the budget division of the Department of Administrative  
7 Services.

8 Sec. 28. Section 60-6,211.05, Revised Statutes Cumulative  
9 Supplement, 2016, is amended to read:

10 60-6,211.05 (1) If an order is granted under section 60-6,196 or  
11 60-6,197 and sections 60-6,197.02 and 60-6,197.03, the court may order  
12 that the defendant install an ignition interlock device of a type  
13 approved by the Director of Motor Vehicles on each motor vehicle operated  
14 by the defendant during the period of revocation. Upon sufficient  
15 evidence of installation, the defendant may apply to the director for an  
16 ignition interlock permit pursuant to section 60-4,118.06. The device  
17 shall, without tampering or the intervention of another person, prevent  
18 the defendant from operating the motor vehicle when the defendant has an  
19 alcohol concentration greater than three-hundredths of one gram or more  
20 by weight of alcohol per one hundred milliliters of his or her blood or  
21 three-hundredths of one gram or more by weight of alcohol per two hundred  
22 ten liters of his or her breath. The Department of Motor Vehicles shall  
23 issue an ignition interlock permit to the defendant under section  
24 60-4,118.06 only upon sufficient proof that a defendant has installed an  
25 ignition interlock device on any motor vehicle that the defendant will  
26 operate during his or her release.

27 (2) If the court orders installation of an ignition interlock device  
28 and issuance of an ignition interlock permit pursuant to subsection (1)  
29 of this section, the court may also order the use of a continuous alcohol  
30 monitoring device and abstention from alcohol use at all times. The  
31 device shall, without tampering or the intervention of another person,

1 test and record the alcohol consumption level of the defendant on a  
2 periodic basis and transmit such information to probation authorities.

3 (3) Any order issued by the court pursuant to this section shall not  
4 take effect until the defendant is eligible to operate a motor vehicle  
5 pursuant to subsection (8) of section 60-498.01. A person shall be  
6 eligible to be issued an ignition interlock permit allowing operation of  
7 a motor vehicle equipped with an ignition interlock device if he or she  
8 is not subject to any other suspension, cancellation, required no-driving  
9 period, or period of revocation and has successfully completed the  
10 ignition interlock permit application process. The Department of Motor  
11 Vehicles shall review its records and the driving record abstract of any  
12 person who applies for an ignition interlock permit allowing operation of  
13 a motor vehicle equipped with an ignition interlock device to determine  
14 (a) the applicant's eligibility for an ignition interlock permit, (b) the  
15 applicant's previous convictions under section 60-6,196, 60-6,197, or  
16 60-6,197.06 or any previous administrative license revocation, if any,  
17 and (c) if the applicant is subject to any required no-drive periods  
18 before the ignition interlock permit may be issued.

19 (4)(a) If the court orders an ignition interlock device or the Board  
20 of Pardons orders an ignition interlock device under section 83-1,127.02,  
21 the court or the Board of Pardons shall order the defendant to apply for  
22 an ignition interlock permit as provided in section 60-4,118.06 which  
23 indicates that the defendant is only allowed to operate a motor vehicle  
24 equipped with an ignition interlock device.

25 (b) Such court order shall remain in effect for a period of time as  
26 determined by the court not to exceed the maximum term of revocation  
27 which the court could have imposed according to the nature of the  
28 violation and shall allow operation by the defendant of only an ignition-  
29 interlock-equipped motor vehicle.

30 (c) Such Board of Pardons order shall remain in effect for a period  
31 of time not to exceed any period of revocation the applicant is subject

1 to at the time the application for a reprieve is made.

2 (5) Any person restricted to operating a motor vehicle equipped with  
3 an ignition interlock device, pursuant to a Board of Pardons order, who  
4 operates upon the highways of this state a motor vehicle without such  
5 device or if the device has been disabled, bypassed, or altered in any  
6 way, shall be punished as provided in subsection (3) of section  
7 83-1,127.02.

8 (6) If a person ordered to use a continuous alcohol monitoring  
9 device and abstain from alcohol use pursuant to a court order as provided  
10 in subsection (2) of this section violates the provisions of such court  
11 order by removing, tampering with, or otherwise bypassing the continuous  
12 alcohol monitoring device or by consuming alcohol while required to use  
13 such device, he or she shall have his or her ignition interlock permit  
14 revoked and be unable to apply for reinstatement for the duration of the  
15 revocation period imposed by the court.

16 (7) The director shall adopt and promulgate rules and regulations  
17 regarding the approval of ignition interlock devices, the means of  
18 installing ignition interlock devices, and the means of administering the  
19 ignition interlock permit program.

20 (8)(a) The costs incurred in order to comply with the ignition  
21 interlock requirements of this section shall be paid directly to the  
22 ignition interlock provider by the person complying with an order for an  
23 ignition interlock permit and installation of an ignition interlock  
24 device.

25 (b) If the Department of Motor Vehicles has determined the person to  
26 be indigent and incapable of paying for the cost of installation,  
27 removal, or maintenance of the ignition interlock device in accordance  
28 with this section, such costs shall be paid out of the Department of  
29 Motor Vehicles Ignition Interlock Fund if such funds are available,  
30 according to rules and regulations adopted and promulgated by the  
31 department. Such costs shall also be paid out of the Department of Motor

1 Vehicles Ignition Interlock Fund if such funds are available and if the  
2 court or the Board of Pardons, whichever is applicable, has determined  
3 the person to be indigent and incapable of paying for the cost of  
4 installation, removal, or maintenance of the ignition interlock device in  
5 accordance with this section. The Department of Motor Vehicles Ignition  
6 Interlock Fund is created. Money in the Department of Motor Vehicles  
7 Ignition Interlock Fund may be used for transfers to the General Fund at  
8 the direction of the Legislature. On October 1, 2017, or as soon  
9 thereafter as administratively possible, the State Treasurer shall  
10 transfer twenty-five thousand dollars from the Department of Motor  
11 Vehicles Ignition Interlock Fund to the Violence Prevention Cash Fund. On  
12 October 1, 2018, or as soon thereafter as administratively possible, the  
13 State Treasurer shall transfer twenty-five thousand dollars from the  
14 Department of Motor Vehicles Ignition Interlock Fund to the Violence  
15 Prevention Cash Fund. Any money in the Department of Motor Vehicles  
16 Ignition Interlock Fund available for investment shall be invested by the  
17 state investment officer pursuant to the Nebraska Capital Expansion Act  
18 and the Nebraska State Funds Investment Act.

19 (9)(a)(i) An ignition interlock service facility shall notify the  
20 appropriate district probation office or the appropriate court, as  
21 applicable, of any evidence of tampering with or circumvention of an  
22 ignition interlock device, or any attempts to do so, when the facility  
23 becomes aware of such evidence. Failure of the facility to provide  
24 notification as provided in this subdivision is a Class V misdemeanor.

25 (ii) An ignition interlock service facility shall notify the  
26 Department of Motor Vehicles, if the ignition interlock permit is issued  
27 pursuant to sections 60-498.01 to 60-498.04, of any evidence of tampering  
28 with or circumvention of an ignition interlock device, or any attempts to  
29 do so, when the facility becomes aware of such evidence. Failure of the  
30 facility to provide notification as provided in this subdivision is a  
31 Class V misdemeanor.

1 (b) If a district probation office receives evidence of tampering  
2 with or circumvention of an ignition interlock device, or any attempts to  
3 do so, from an ignition interlock service facility, the district  
4 probation office shall notify the appropriate court of such violation.  
5 The court shall immediately schedule an evidentiary hearing to be held  
6 within fourteen days after receiving such evidence, either from the  
7 district probation office or an ignition interlock service facility, and  
8 the court shall cause notice of the hearing to be given to the person  
9 operating a motor vehicle pursuant to an order under subsection (1) of  
10 this section. If the person who is the subject of such evidence does not  
11 appear at the hearing and show cause why the order made pursuant to  
12 subsection (1) of this section should remain in effect, the court shall  
13 rescind the original order. Nothing in this subsection shall apply to an  
14 order made by the Board of Pardons pursuant to section 83-1,127.02.

15 (10) Notwithstanding any other provision of law, the issuance of an  
16 ignition interlock permit by the Department of Motor Vehicles under  
17 section 60-498.01 or an order for the installation of an ignition  
18 interlock device and ignition interlock permit made pursuant to  
19 subsection (1) of this section as part of a conviction, as well as the  
20 administration of such court order by the Office of Probation  
21 Administration for the installation, maintenance, and removal of such  
22 device, as applicable, shall not be construed to create an order of  
23 probation when an order of probation has not been issued.

24 Sec. 29. Section 60-1409, Revised Statutes Cumulative Supplement,  
25 2016, is amended to read:

26 60-1409 The Nebraska Motor Vehicle Industry Licensing Fund is  
27 created. All fees collected under the Motor Vehicle Industry Regulation  
28 Act shall be remitted by the board, as collected, to the State Treasurer  
29 for credit to the fund. Such fund shall be appropriated by the  
30 Legislature for the operations of the Nebraska Motor Vehicle Industry  
31 Licensing Board and shall be paid out from time to time by warrants of

1 the Director of Administrative Services on the State Treasurer for  
2 authorized expenditures upon duly itemized vouchers executed as provided  
3 by law and approved by the chairperson of the board or the executive  
4 secretary, except that transfers from the fund to the General Fund may be  
5 made at the direction of the Legislature through June 30, 2018 ~~2011~~. The  
6 expenses of conducting the office must always be kept within the income  
7 collected and reported to the State Treasurer by such board. Such office  
8 and expense thereof shall not be supported or paid from the General Fund,  
9 and all money deposited in the Nebraska Motor Vehicle Industry Licensing  
10 Fund shall be expended only for such office and expense thereof and,  
11 unless determined by the board, it shall not be required to expend any  
12 funds to any person or any other governmental agency.

13 Any money in the Nebraska Motor Vehicle Industry Licensing Fund  
14 available for investment shall be invested by the state investment  
15 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
16 State Funds Investment Act. The fund shall be audited by the Auditor of  
17 Public Accounts at such time as he or she determines necessary.

18 The State Treasurer shall transfer five hundred thousand dollars  
19 from the Nebraska Motor Vehicle Industry Licensing Fund to the General  
20 Fund on or before June 30, 2018, on such dates and in such amounts as  
21 directed by the budget administrator of the budget division of the  
22 Department of Administrative Services.

23 Sec. 30. Section 61-218, Revised Statutes Cumulative Supplement,  
24 2016, is amended to read:

25 61-218 (1) The Water Resources Cash Fund is created. The fund shall  
26 be administered by the Department of Natural Resources. Any money in the  
27 fund available for investment shall be invested by the state investment  
28 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
29 State Funds Investment Act.

30 (2) The State Treasurer shall credit to the fund such money as is  
31 (a) transferred to the fund by the Legislature, (b) paid to the state as

1 fees, deposits, payments, and repayments relating to the fund, both  
2 principal and interest, (c) donated as gifts, bequests, or other  
3 contributions to such fund from public or private entities, (d) made  
4 available by any department or agency of the United States if so directed  
5 by such department or agency, and (e) allocated pursuant to section  
6 81-15,175.

7 (3) The fund shall be expended by the department (a) to aid  
8 management actions taken to reduce consumptive uses of water or to  
9 enhance streamflows or ground water recharge in river basins, subbasins,  
10 or reaches which are deemed by the department overappropriated pursuant  
11 to section 46-713 or fully appropriated pursuant to section 46-714 or are  
12 bound by an interstate compact or decree or a formal state contract or  
13 agreement, (b) for purposes of projects or proposals described in the  
14 grant application as set forth in subdivision (2)(h) of section  
15 81-15,175, and (c) to the extent funds are not expended pursuant to  
16 subdivisions (a) and (b) of this subsection, the department may conduct a  
17 statewide assessment of short-term and long-term water management  
18 activities and funding needs to meet statutory requirements in sections  
19 46-713 to 46-718 and 46-739 and any requirements of an interstate compact  
20 or decree or formal state contract or agreement. The fund shall not be  
21 used to pay for administrative expenses or any salaries for the  
22 department or any political subdivision.

23 (4) It is the intent of the Legislature that three million three  
24 hundred thousand dollars be transferred each fiscal year from the General  
25 Fund to the Water Resources Cash Fund for FY2011-12 through FY2018-19,  
26 except that for FY2012-13 it is the intent of the Legislature that four  
27 million seven hundred thousand dollars be transferred from the General  
28 Fund to the Water Resources Cash Fund.

29 (5)(a) Expenditures from the Water Resources Cash Fund may be made  
30 to natural resources districts eligible under subsection (3) of this  
31 section for activities to either achieve a sustainable balance of

1 consumptive water uses or assure compliance with an interstate compact or  
2 decree or a formal state contract or agreement and shall require a match  
3 of local funding in an amount equal to or greater than forty percent of  
4 the total cost of carrying out the eligible activity. The department  
5 shall, no later than August 1 of each year, beginning in 2007, determine  
6 the amount of funding that will be made available to natural resources  
7 districts from the Water Resources Cash Fund and notify natural resources  
8 districts of this determination. The department shall adopt and  
9 promulgate rules and regulations governing application for and use of the  
10 Water Resources Cash Fund by natural resources districts. Such rules and  
11 regulations shall, at a minimum, include the following components:

12 (i) Require an explanation of how the planned activity will achieve  
13 a sustainable balance of consumptive water uses or will assure compliance  
14 with an interstate compact or decree or a formal state contract or  
15 agreement as required by section 46-715 and the controls, rules, and  
16 regulations designed to carry out the activity; and

17 (ii) A schedule of implementation of the activity or its components,  
18 including the local match as set forth in subdivision (5)(a) of this  
19 section.

20 (b) Any natural resources district that fails to implement and  
21 enforce its controls, rules, and regulations as required by section  
22 46-715 shall not be eligible for funding from the Water Resources Cash  
23 Fund until it is determined by the department that compliance with the  
24 provisions required by section 46-715 has been established.

25 (6) The Department of Natural Resources shall submit electronically  
26 an annual report to the Legislature no later than October 1 of each year,  
27 beginning in the year 2007, that shall detail the use of the Water  
28 Resources Cash Fund in the previous year. The report shall provide:

29 (a) Details regarding the use and cost of activities carried out by  
30 the department; and

31 (b) Details regarding the use and cost of activities carried out by



1 each natural resources district that received funds from the Water  
2 Resources Cash Fund.

3 (7)(a) Prior to the application deadline for fiscal year 2011-12,  
4 the Department of Natural Resources shall apply for a grant of nine  
5 million nine hundred thousand dollars from the Nebraska Environmental  
6 Trust Fund, to be paid out in three annual installments of three million  
7 three hundred thousand dollars. The purposes listed in the grant  
8 application shall be consistent with the uses of the Water Resources Cash  
9 Fund provided in this section and shall be used to aid management actions  
10 taken to reduce consumptive uses of water, to enhance streamflows, to  
11 recharge ground water, or to support wildlife habitat in any river basin  
12 determined to be fully appropriated pursuant to section 46-714 or  
13 designated as overappropriated pursuant to section 46-713.

14 (b) If the application is granted, funds received from such grant  
15 shall be remitted to the State Treasurer for credit to the Water  
16 Resources Cash Fund for the purpose of supporting the projects set forth  
17 in the grant application. The department shall include in its grant  
18 application documentation that the Legislature has authorized a transfer  
19 of three million three hundred thousand dollars from the General Fund  
20 into the Water Resources Cash Fund for each of fiscal years 2011-12 and  
21 2012-13 and has stated its intent to transfer three million three hundred  
22 thousand dollars to the Water Resources Cash Fund for fiscal year  
23 2013-14.

24 (c) It is the intent of the Legislature that the department apply  
25 for an additional three-year grant that would begin in fiscal year  
26 2014-15 and an additional three-year grant from the Nebraska  
27 Environmental Trust Fund that would begin in fiscal year 2017-18 if the  
28 criteria established in subsection (4) of section 81-15,175 are achieved.

29 (8) The department shall establish a subaccount within the Water  
30 Resources Cash Fund for the accounting of all money received as a grant  
31 from the Nebraska Environmental Trust Fund as the result of an

1 application made pursuant to subsection (7) of this section. At the end  
2 of each calendar month, the department shall calculate the amount of  
3 interest earnings accruing to the subaccount and shall notify the State  
4 Treasurer who shall then transfer a like amount from the Water Resources  
5 Cash Fund to the Nebraska Environmental Trust Fund.

6 Sec. 31. Section 66-204, Revised Statutes Cumulative Supplement,  
7 2016, is amended to read:

8 66-204 (1) The Clean-burning Motor Fuel Development Fund is created.  
9 The fund shall consist of grants, private contributions, and all other  
10 sources.

11 (2) The fund shall be used by the State Energy Office to provide  
12 rebates under the Nebraska Clean-burning Motor Fuel Development Act up to  
13 the amount transferred under subsection (3) of this section. No more than  
14 thirty-five percent of the money in the fund annually shall be used as  
15 rebates for flex-fuel dispensers. The State Energy Office may use the  
16 fund for necessary costs in the administration of the act up to an amount  
17 not exceeding ten percent of the fund annually.

18 (3) Within five days after August 30, 2015, the State Treasurer  
19 shall transfer five hundred thousand dollars from the General Fund to the  
20 Clean-burning Motor Fuel Development Fund to carry out the Nebraska  
21 Clean-burning Motor Fuel Development Act.

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

25 (5) The State Treasurer shall transfer two hundred thousand dollars  
26 from the Clean-burning Motor Fuel Development Fund to the General Fund on  
27 or before June 30, 2018, on such dates and in such amounts as directed by  
28 the budget administrator of the budget division of the Department of  
29 Administrative Services.

30 Sec. 32. Section 66-4,100, Revised Statutes Cumulative Supplement,  
31 2016, is amended to read:

1           66-4,100 The Highway Cash Fund and the Roads Operations Cash Fund  
2 are hereby created. If bonds are issued pursuant to subsection (2) of  
3 section 39-2223, the balance of the share of the Highway Trust Fund  
4 allocated to the Department of Roads and deposited into the Highway  
5 Restoration and Improvement Bond Fund as provided in subsection (6) of  
6 section 39-2215 and the balance of the money deposited in the Highway  
7 Restoration and Improvement Bond Fund as provided in section 39-2215.01  
8 shall be transferred by the State Treasurer, on or before the last day of  
9 each month, to the Highway Cash Fund. If no bonds are issued pursuant to  
10 subsection (2) of section 39-2223, the share of the Highway Trust Fund  
11 allocated to the Department of Roads shall be transferred by the State  
12 Treasurer on or before the last day of each month to the Highway Cash  
13 Fund.

14           The Legislature may direct the State Treasurer to transfer funds  
15 from the Highway Cash Fund to the Roads Operations Cash Fund. Both funds  
16 shall be expended by the department (1) for acquiring real estate, road  
17 materials, equipment, and supplies to be used in the construction,  
18 reconstruction, improvement, and maintenance of state highways, (2) for  
19 the construction, reconstruction, improvement, and maintenance of state  
20 highways, including grading, drainage, structures, surfacing, roadside  
21 development, landscaping, and other incidentals necessary for proper  
22 completion and protection of state highways as the department shall,  
23 after investigation, find and determine shall be for the best interests  
24 of the highway system of the state, either independent of or in  
25 conjunction with federal-aid money for highway purposes, (3) for the  
26 share of the department of the cost of maintenance of state aid bridges,  
27 (4) for planning studies in conjunction with federal highway funds for  
28 the purpose of analyzing traffic problems and financial conditions and  
29 problems relating to state, county, township, municipal, federal, and all  
30 other roads in the state and for incidental costs in connection with the  
31 federal-aid grade crossing program for roads not on state highways, (5)

1 for tests and research by the department or proportionate costs of  
2 membership, tests, and research of highway organizations when  
3 participated in by the highway departments of other states, (6) for the  
4 payment of expenses and costs of the Board of Examiners for County  
5 Highway and City Street Superintendents as set forth in section 39-2310,  
6 (7) for support of the public transportation assistance program  
7 established under section 13-1209 and the intercity bus system assistance  
8 program established under section 13-1213, and (8) for purchasing from  
9 political or governmental subdivisions or public corporations, pursuant  
10 to section 39-1307, any federal-aid transportation funds available to  
11 such entities.

12 Any money in the Highway Cash Fund and the Roads Operations Cash  
13 Fund not needed for current operations of the department shall, as  
14 directed by the Director-State Engineer to the State Treasurer, be  
15 invested by the state investment officer pursuant to the Nebraska Capital  
16 Expansion Act and the Nebraska State Funds Investment Act, subject to  
17 approval by the board of each investment. All income received as a result  
18 of such investment shall be placed in the Highway Cash Fund.

19 Transfers may be made from the Roads Operations Cash Fund to the  
20 General Fund at the direction of the Legislature through June 30, 2019.  
21 The State Treasurer shall transfer fifteen million dollars from the Roads  
22 Operations Cash Fund to the General Fund on or before June 30, 2018, on  
23 such date as directed by the budget administrator of the budget division  
24 of the Department of Administrative Services. The State Treasurer shall  
25 transfer fifteen million dollars from the Roads Operations Cash Fund to  
26 the General Fund on or after July 1, 2018, but on or before June 30,  
27 2019, on such date as directed by the budget administrator of the budget  
28 division of the Department of Administrative Services.

29 Sec. 33. Section 66-1345, Revised Statutes Cumulative Supplement,  
30 2016, is amended to read:

31 66-1345 (1) There is hereby created the Ethanol Production Incentive

1 Cash Fund which shall be used by the board to pay the credits created in  
2 section 66-1344 to the extent provided in this section. Any money in the  
3 fund available for investment shall be invested by the state investment  
4 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
5 State Funds Investment Act. The State Treasurer shall transfer to the  
6 Ethanol Production Incentive Cash Fund such money as shall be (a)  
7 appropriated to the Ethanol Production Incentive Cash Fund by the  
8 Legislature, (b) given as gifts, bequests, grants, or other contributions  
9 to the Ethanol Production Incentive Cash Fund from public or private  
10 sources, (c) made available due to failure to fulfill conditional  
11 requirements pursuant to investment agreements entered into prior to  
12 April 30, 1992, (d) received as return on investment of the Ethanol  
13 Authority and Development Cash Fund, (e) credited to the Ethanol  
14 Production Incentive Cash Fund from the excise taxes imposed by section  
15 66-1345.01 through December 31, 2012, and (f) credited to the Ethanol  
16 Production Incentive Cash Fund pursuant to sections 66-489, 66-726, and  
17 66-1345.04, ~~and 66-1519.~~

18 (2) The Department of Revenue shall, at the end of each calendar  
19 month, notify the State Treasurer of the amount of motor fuel tax that  
20 was not collected in the preceding calendar month due to the credits  
21 provided in section 66-1344. The State Treasurer shall transfer from the  
22 Ethanol Production Incentive Cash Fund to the Highway Trust Fund an  
23 amount equal to such credits less the following amounts:

24 (a) For 1993, 1994, and 1995, the amount generated during the  
25 calendar quarter by a one-cent tax on motor fuel pursuant to sections  
26 66-489 and 66-6,107;

27 (b) For 1996, the amount generated during the calendar quarter by a  
28 three-quarters-cent tax on motor fuel pursuant to such sections;

29 (c) For 1997, the amount generated during the calendar quarter by a  
30 one-half-cent tax on motor fuel pursuant to such sections; and

31 (d) For 1998 and each year thereafter, no reduction.

1 For 1993 through 1997, if the amount generated pursuant to  
2 subdivisions (a), (b), and (c) of this subsection and the amount  
3 transferred pursuant to subsection (1) of this section are not sufficient  
4 to fund the credits provided in section 66-1344, then the credits shall  
5 be funded through the Ethanol Production Incentive Cash Fund but shall  
6 not be funded through either the Highway Cash Fund or the Highway Trust  
7 Fund. For 1998 and each year thereafter, the credits provided in such  
8 section shall be funded through the Ethanol Production Incentive Cash  
9 Fund but shall not be funded through either the Highway Cash Fund or the  
10 Highway Trust Fund.

11 If, during any month, the amount of money in the Ethanol Production  
12 Incentive Cash Fund is not sufficient to reimburse the Highway Trust Fund  
13 for credits earned pursuant to section 66-1344, the Department of Revenue  
14 shall suspend the transfer of credits by ethanol producers until such  
15 time as additional funds are available in the Ethanol Production  
16 Incentive Cash Fund for transfer to the Highway Trust Fund. Thereafter,  
17 the Department of Revenue shall, at the end of each month, allow transfer  
18 of accumulated credits earned by each ethanol producer on a prorated  
19 basis derived by dividing the amount in the fund by the aggregate amount  
20 of accumulated credits earned by all ethanol producers.

21 (3) The State Treasurer shall transfer from the Ethanol Production  
22 Incentive Cash Fund to the Management Services Expense Revolving Fund the  
23 amount reported under subsection (4) of section 66-1345.02 for each  
24 calendar month of the fiscal year as provided in such subsection.

25 (4) On December 31, 2012, the State Treasurer shall transfer one-  
26 half of the unexpended and unobligated funds, including all subsequent  
27 investment interest, from the Ethanol Production Incentive Cash Fund to  
28 the Nebraska Corn Development, Utilization, and Marketing Fund and the  
29 Grain Sorghum Development, Utilization, and Marketing Fund in the same  
30 proportion as funds were collected pursuant to section 66-1345.01 from  
31 corn and grain sorghum. The Department of Agriculture shall assist the

1 State Treasurer in determining the amounts to be transferred to the  
2 funds. The State Treasurer shall transfer the remaining one-half of the  
3 unexpended and unobligated funds to the General Fund.

4 (5) Whenever the unobligated balance in the Ethanol Production  
5 Incentive Cash Fund exceeds twenty million dollars, the Department of  
6 Revenue shall notify the Department of Agriculture at which time the  
7 Department of Agriculture shall suspend collection of the excise tax  
8 levied pursuant to section 66-1345.01. If, after suspension of the  
9 collection of such excise tax, the balance of the fund falls below ten  
10 million dollars, the Department of Revenue shall notify the Department of  
11 Agriculture which shall resume collection of the excise tax.

12 (6) On or before December 1, 2003, and each December 1 thereafter,  
13 the Department of Revenue and the Nebraska Ethanol Board shall jointly  
14 submit a report electronically to the Legislature which shall project the  
15 anticipated revenue and expenditures from the Ethanol Production  
16 Incentive Cash Fund through the termination of the ethanol production  
17 incentive programs pursuant to section 66-1344. The initial report shall  
18 include a projection of the amount of ethanol production for which the  
19 Department of Revenue has entered agreements to provide ethanol  
20 production credits pursuant to section 66-1344.01 and any additional  
21 ethanol production which the Department of Revenue and the Nebraska  
22 Ethanol Board reasonably anticipate may qualify for credits pursuant to  
23 section 66-1344.

24 Sec. 34. Section 66-1519, Revised Statutes Cumulative Supplement,  
25 2016, is amended to read:

26 66-1519 (1) There is hereby created the Petroleum Release Remedial  
27 Action Cash Fund to be administered by the department. Revenue from the  
28 following sources shall be remitted to the State Treasurer for credit to  
29 the fund:

30 (a) The fees imposed by sections 66-1520 and 66-1521;

31 (b) Money paid under an agreement, stipulation, cost-recovery award

1 under section 66-1529.02, or settlement; and

2 (c) Money received by the department in the form of gifts, grants,  
3 reimbursements, property liquidations, or appropriations from any source  
4 intended to be used for the purposes of the fund.

5 (2) Money in the fund may be spent for: (a) Reimbursement for the  
6 costs of remedial action by a responsible person or his or her designated  
7 representative and costs of remedial action undertaken by the department  
8 in response to a release first reported after July 17, 1983, and on or  
9 before June 30, 2020, including reimbursement for damages caused by the  
10 department or a person acting at the department's direction while  
11 investigating or inspecting or during remedial action on property other  
12 than property on which a release or suspected release has occurred; (b)  
13 payment of any amount due from a third-party claim; (c) fee collection  
14 expenses incurred by the State Fire Marshal; (d) direct expenses incurred  
15 by the department in carrying out the Petroleum Release Remedial Action  
16 Act; (e) other costs related to fixtures and tangible personal property  
17 as provided in section 66-1529.01; (f) interest payments as allowed by  
18 section 66-1524; (g) claims approved by the State Claims Board authorized  
19 under section 66-1531; ~~and~~ (h) the direct and indirect costs incurred by  
20 the department in responding to spills and other environmental  
21 emergencies related to petroleum or petroleum products; and (i) up to one  
22 million five hundred thousand dollars each fiscal year of the  
23 department's cost-share obligations and operation and maintenance  
24 obligations under the federal Comprehensive Environmental Response,  
25 Compensation, and Liability Act of 1980, 42 U.S.C. 9601 et seq.

26 (3) Transfers may be made from the Petroleum Release Remedial Action  
27 Cash Fund to the General Fund at the direction of the Legislature. ~~The~~  
28 ~~State Treasurer shall transfer one million five hundred thousand dollars~~  
29 ~~from the Petroleum Release Remedial Action Cash Fund to the Ethanol~~  
30 ~~Production Incentive Cash Fund on July 1 of each of the following years:~~  
31 ~~2004 through 2011.~~



1           (4) Transfers may be made from the Petroleum Release Remedial Action  
2 Cash Fund to the Superfund Cost Share Cash Fund at the direction of the  
3 Legislature.

4           (5) ~~(4)~~ Any money in the Petroleum Release Remedial Action Cash Fund  
5 available for investment shall be invested by the state investment  
6 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
7 State Funds Investment Act.

8           Sec. 35. Section 68-940.01, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10           68-940.01 The State Medicaid Fraud Control Unit Cash Fund is  
11 created. The fund shall be maintained by the Department of Justice and  
12 administered by the Attorney General. The fund shall consist of any  
13 recovery for the state's costs and attorney's fees received pursuant to  
14 subdivision (2)(b) of section 68-940 and sections 68-936 and 68-939,  
15 except criminal penalties, whether such recovery is by way of verdict,  
16 judgment, compromise, or settlement in or out of court, or other final  
17 disposition of any case or controversy under such subdivision or  
18 sections. Money in the fund shall be used to pay the salaries and related  
19 expenses of the Department of Justice for the state medicaid fraud  
20 control unit.

21           The State Treasurer shall transfer five hundred thousand dollars  
22 from the State Medicaid Fraud Control Unit Cash Fund to the General Fund  
23 on or before June 30, 2018, on such dates and in such amounts as directed  
24 by the budget administrator of the budget division of the Department of  
25 Administrative Services.

26           Any money in the fund available for investment shall be invested by  
27 the state investment officer pursuant to the Nebraska Capital Expansion  
28 Act and the Nebraska State Funds Investment Act.

29           Sec. 36. Section 71-1001, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31           71-1001 The heads of the anatomy departments of the medical schools

1 and colleges of this state, one professor of anatomy appointed by the  
2 head of the anatomy department from each medical school or college of  
3 this state, one professor of anatomy appointed from each dental school or  
4 college of this state, and one layperson appointed by the Department of  
5 Health and Human Services shall constitute the State Anatomical Board of  
6 the State of Nebraska for the distribution, delivery, and use of certain  
7 dead human bodies, described in section 71-1002, to and among such  
8 schools, colleges, and persons as are entitled thereto under the  
9 provisions of such section. The board shall have power to establish rules  
10 and regulations for its government and for the collection, storage, and  
11 distribution of dead human bodies for anatomical purposes. It shall have  
12 power to appoint and remove its officers and agents. It shall keep  
13 minutes of its meetings. It shall cause a record to be kept of all of its  
14 transactions, of bodies received and distributed by it, and of the  
15 school, college, or person receiving every such body, and its records  
16 shall be open at all times to the inspection of each member of the board  
17 and to every county attorney within this state.

18 There is hereby created the State Anatomical Board Cash Fund. The  
19 fund shall be under the University of Nebraska Medical Center for  
20 accounting and budgeting purposes only. The fund shall consist of revenue  
21 collected by the State Anatomical Board and shall only be used to pay for  
22 costs of operating the board. Any money in the fund available for  
23 investment shall be invested by the state investment officer pursuant to  
24 the Nebraska Capital Expansion Act and the Nebraska State Funds  
25 Investment Act.

26 Sec. 37. Section 71-7450, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28 71-7450 (1) Licensure activities under the Wholesale Drug  
29 Distributor Licensing Act shall be funded by license fees. An applicant  
30 for an initial or renewal license under the act shall pay a license fee  
31 as provided in this section.

1 (2) License fees shall include (a) a base fee of fifty dollars and  
2 (b) an additional fee of not more than five hundred dollars based on  
3 variable costs to the department of inspections and of receiving and  
4 investigating complaints, other similar direct and indirect costs, and  
5 other relevant factors as determined by the department.

6 (3) If the licensure application is denied, the license fee shall be  
7 returned to the applicant, except that the department may retain up to  
8 twenty-five dollars as an administrative fee and may retain the entire  
9 license fee if an inspection has been completed prior to such denial.

10 (4) The department shall also collect a fee for reinstatement of a  
11 license that has lapsed or has been suspended or revoked. The department  
12 shall collect a fee of ten dollars for a duplicate original license.

13 (5) The department shall remit all license fees collected under this  
14 section to the State Treasurer for credit to the Health and Human  
15 Services Cash Fund. License fees collected under this section shall only  
16 be used for activities related to the licensure of wholesale drug  
17 distributors, except for the transfer of funds provided for under  
18 subsection (6) of this section.

19 (6) The State Treasurer shall transfer three million seven hundred  
20 thousand dollars from the Health and Human Services Cash Fund to the  
21 General Fund on or before June 30, 2018, on such dates and in such  
22 amounts as directed by the budget administrator of the budget division of  
23 the Department of Administrative Services. It is the intent of the  
24 Legislature that the transfer to the General Fund in this subsection be  
25 from funds credited to the Wholesale Drug Distributor Licensing subfund  
26 of the Health and Human Services Cash Fund.

27 Sec. 38. Section 71-7611, Revised Statutes Cumulative Supplement,  
28 2016, is amended to read:

29 71-7611 (1) The Nebraska Health Care Cash Fund is created. The State  
30 Treasurer shall transfer (a) sixty million three hundred thousand dollars  
31 on or before July 15, 2014, (b) sixty million three hundred fifty

1 thousand dollars on or before July 15, 2015, (c) sixty million three  
2 hundred fifty thousand dollars on or before July 15, 2016, (d) sixty  
3 million seven ~~three~~ hundred ~~fifty~~ thousand dollars on or before July 15,  
4 2017, (e) sixty million seven ~~three~~ hundred ~~fifty~~ thousand dollars on or  
5 before July 15, 2018, and (f) sixty million four ~~one~~ hundred fifty  
6 thousand dollars on or before every July 15 thereafter from the Nebraska  
7 Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco Settlement  
8 Trust Fund to the Nebraska Health Care Cash Fund, except that such amount  
9 shall be reduced by the amount of the unobligated balance in the Nebraska  
10 Health Care Cash Fund at the time the transfer is made. The state  
11 investment officer ~~upon consultation with the Nebraska Investment Council~~  
12 shall advise the State Treasurer on the amounts to be transferred first  
13 from the Nebraska Medicaid Intergovernmental Trust Fund until the fund  
14 balance is depleted and from the Nebraska Tobacco Settlement Trust Fund  
15 thereafter ~~under this section~~ in order to sustain such transfers in  
16 perpetuity. The state investment officer shall report electronically to  
17 the Legislature on or before October 1 of every even-numbered year on the  
18 sustainability of such transfers. The Nebraska Health Care Cash Fund  
19 shall also include money received pursuant to section 77-2602. Except as  
20 otherwise provided by law, no more than the amounts specified in this  
21 subsection may be appropriated or transferred from the Nebraska Health  
22 Care Cash Fund in any fiscal year.

23 The State Treasurer shall transfer ten million dollars from the  
24 Nebraska Medicaid Intergovernmental Trust Fund to the General Fund on  
25 June 28, 2018, and June 28, 2019.

26 It is the intent of the Legislature that no additional programs are  
27 funded through the Nebraska Health Care Cash Fund until funding for all  
28 programs with an appropriation from the fund during FY2012-13 are  
29 restored to their FY2012-13 levels.

30 (2) Any money in the Nebraska Health Care Cash Fund available for  
31 investment shall be invested by the state investment officer pursuant to

1 the Nebraska Capital Expansion Act and the Nebraska State Funds  
2 Investment Act.

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

9 (4) The State Treasurer shall transfer fifty thousand dollars on or  
10 before July 15, 2016, from the Nebraska Health Care Cash Fund to the  
11 Board of Regents of the University of Nebraska for the University of  
12 Nebraska Medical Center. It is the intent of the Legislature that these  
13 funds be used by the College of Public Health for workforce training.

14 Sec. 39. Section 72-1001, Revised Statutes Cumulative Supplement,  
15 2016, is amended to read:

16 72-1001 The Nebraska Capital Construction Fund is created. The fund  
17 shall consist of revenue and transfers credited to the fund as authorized  
18 by law. Money shall be appropriated from the fund to state agencies for  
19 making payments on projects as determined by the Legislature, including,  
20 but not limited to, purchases of land, structural improvements to land,  
21 acquisition of buildings, construction of buildings, including  
22 architectural and engineering costs, replacement of or major repairs to  
23 structural improvements to land or buildings, additions to existing  
24 structures, remodeling of buildings, and acquisition of equipment and  
25 furnishings of new or remodeled buildings. The fund shall be administered  
26 by the State Treasurer as a multiple-agency-use fund and appropriated to  
27 state agencies as determined by the Legislature. Transfers may be made  
28 from the fund to the Capitol Restoration Cash Fund at the direction of  
29 the Legislature. Any money in the Nebraska Capital Construction Fund fund  
30 available for investment shall be invested by the state investment  
31 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska

1 State Funds Investment Act.

2 ~~The State Treasurer shall transfer four million five hundred~~  
3 ~~seventy-four thousand four hundred sixty-six dollars from the Nebraska~~  
4 ~~Capital Construction Fund to the General Fund on or before June 30, 2010,~~  
5 ~~on such date as directed by the budget administrator of the budget~~  
6 ~~division of the Department of Administrative Services.~~

7 Sec. 40. Section 72-2211, Revised Statutes Cumulative Supplement,  
8 2016, is amended to read:

9 72-2211 The Capitol Restoration Cash Fund is created. The  
10 administrator shall administer the fund, which shall consist of money  
11 received from the sale of material, rental revenue, private donations,  
12 and public donations, and transfers from the Nebraska Capital  
13 Construction Fund as directed by the Legislature. The Capitol Restoration  
14 Cash Fund ~~fund~~ shall be used to finance projects to restore the State  
15 Capitol and capitol grounds to their original condition, to purchase and  
16 conserve items to be added to the Nebraska Capitol Collections housed in  
17 the State Capitol, ~~and~~ to produce promotional material concerning the  
18 State Capitol, its grounds, and the Nebraska State Capitol Environs  
19 District, and to pay the expenditures for a project manager for the  
20 Capitol Heating, Ventilation, and Air Conditioning Systems Replacement  
21 Project until such time as the project is completed, except that  
22 transfers may be made from the fund to the General Fund at the direction  
23 of the Legislature. Such expenditures shall be prescribed by the  
24 administrator and approved by the commission. Any money in the Capitol  
25 Restoration Cash Fund available for investment shall be invested by the  
26 state investment officer pursuant to the Nebraska Capital Expansion Act  
27 and the Nebraska State Funds Investment Act.

28 Sec. 41. Section 77-2715.01, Revised Statutes Cumulative Supplement,  
29 2016, is amended to read:

30 77-2715.01 (1)(a) Commencing in 1987 the Legislature shall set the  
31 rates for the income tax imposed by section 77-2715 and the rate of the

1 sales tax imposed by subsection (1) of section 77-2703. For taxable years  
2 beginning or deemed to begin before January 1, 2013, the rate of the  
3 income tax set by the Legislature shall be considered the primary rate  
4 for establishing the tax rate schedules used to compute the tax.

5 (b) The Legislature shall set the rates of the sales tax and income  
6 tax so that the estimated funds available plus estimated receipts from  
7 the sales, use, income, and franchise taxes will be not less than three  
8 percent nor more than seven percent in excess of the appropriations and  
9 express obligations for the biennium for which the appropriations are  
10 made, except that for the biennium ending June 30, 2019, the percentage  
11 shall not be less than two and one-half percent nor more than seven  
12 percent. The purpose of this subdivision is to insure that there shall be  
13 maintained in the state treasury an adequate General Fund balance,  
14 considering cash flow, to meet the appropriations and express obligations  
15 of the state.

16 (c) For purposes of this section, express obligation shall mean an  
17 obligation which has fiscal impact identifiable by a sum certain or by an  
18 established percentage or other determinative factor or factors.

19 (2) The Speaker of the Legislature and the chairpersons of the  
20 Legislature's Executive Board, Revenue Committee, and Appropriations  
21 Committee shall constitute a committee to be known as the Tax Rate Review  
22 Committee. The Tax Rate Review Committee shall meet with the Tax  
23 Commissioner within ten days after July 15 and November 15 of each year  
24 and shall determine whether the rates for sales tax and income tax should  
25 be changed. In making such determination the committee shall recalculate  
26 the requirements pursuant to the formula set forth in subsection (1) of  
27 this section, taking into consideration the appropriations and express  
28 obligations for any session, all miscellaneous claims, deficiency bills,  
29 and all emergency appropriations. The committee shall prepare an annual  
30 report of its determinations under this section. The committee shall  
31 submit such report electronically to the Legislature and shall append the

1 tax expenditure report required under section 77-382 and the revenue  
2 volatility report required under section 50-419.02.

3 In the event it is determined by a majority vote of the committee  
4 that the rates must be changed as a result of a regular or special  
5 session or as a result of a change in the Internal Revenue Code of 1986  
6 and amendments thereto, other provisions of the laws of the United States  
7 relating to federal income taxes, and the rules and regulations issued  
8 under such laws, the committee shall petition the Governor to call a  
9 special session of the Legislature to make whatever rate changes may be  
10 necessary.

11 Sec. 42. Section 77-27,132, Revised Statutes Cumulative Supplement,  
12 2016, is amended to read:

13 77-27,132 (1) There is hereby created a fund to be designated the  
14 Revenue Distribution Fund which shall be set apart and maintained by the  
15 Tax Commissioner. Revenue not required to be credited to the General Fund  
16 or any other specified fund may be credited to the Revenue Distribution  
17 Fund. Credits and refunds of such revenue shall be paid from the Revenue  
18 Distribution Fund. The balance of the amount credited, after credits and  
19 refunds, shall be allocated as provided by the statutes creating such  
20 revenue.

21 (2) The Tax Commissioner shall pay to a depository bank designated  
22 by the State Treasurer all amounts collected under the Nebraska Revenue  
23 Act of 1967. The Tax Commissioner shall present to the State Treasurer  
24 bank receipts showing amounts so deposited in the bank, and of the  
25 amounts so deposited the State Treasurer shall:

26 (a) For transactions occurring on or after October 1, 2014, and  
27 before October 1, 2022 ~~2019~~, credit to the Game and Parks Commission  
28 Capital Maintenance Fund all of the proceeds of the sales and use taxes  
29 imposed pursuant to section 77-2703 on the sale or lease of motorboats as  
30 defined in section 37-1204, personal watercraft as defined in section  
31 37-1204.01, all-terrain vehicles as defined in section 60-103, and



1 utility-type vehicles as defined in section 60-135.01;

2 (b) Credit to the Highway Trust Fund all of the proceeds of the  
3 sales and use taxes derived from the sale or lease for periods of more  
4 than thirty-one days of motor vehicles, trailers, and semitrailers,  
5 except that the proceeds equal to any sales tax rate provided for in  
6 section 77-2701.02 that is in excess of five percent derived from the  
7 sale or lease for periods of more than thirty-one days of motor vehicles,  
8 trailers, and semitrailers shall be credited to the Highway Allocation  
9 Fund;

10 (c) For transactions occurring on or after July 1, 2013, and before  
11 July 1, 2033, of the proceeds of the sales and use taxes derived from  
12 transactions other than those listed in subdivisions (2)(a) and (b) of  
13 this section from a sales tax rate of one-quarter of one percent, credit  
14 monthly eighty-five percent to the State Highway Capital Improvement Fund  
15 and fifteen percent to the Highway Allocation Fund; and

16 (d) Of the proceeds of the sales and use taxes derived from  
17 transactions other than those listed in subdivisions (2)(a) and (b) of  
18 this section, credit to the Property Tax Credit Cash Fund the amount  
19 certified under section 77-27,237, if any such certification is made.

20 The balance of all amounts collected under the Nebraska Revenue Act  
21 of 1967 shall be credited to the General Fund.

22 Sec. 43. Section 81-125.01, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 81-125.01 The Governor, when preparing the budget provided for in  
25 section 81-125, and the Legislature, when preparing its proposed budget,  
26 shall include a reserve requirement, calculated pursuant to subsection  
27 (1) of section 77-2715.01, of not less than three percent of the  
28 appropriations included in such budget, except that for the biennium  
29 ending June 30, 2019, the percentage shall not be less than two and one-  
30 half percent.

31 Sec. 44. Section 81-179, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 81-179 (1) There is hereby created under the control of the  
3 Governor, for allocation to building renewal projects of the various  
4 agencies, a fund to be known as the Building Renewal Allocation Fund. The  
5 fund shall contain the revenue from the special privilege tax as provided  
6 in section 77-2602 and such other money as is appropriated by the  
7 Legislature. Such appropriation is declared to consist of building  
8 renewal funds which shall be kept separate and distinct from the program  
9 continuation funds and project construction funds.

10 (2) Separate subfunds, subprograms, projects, or accounts shall be  
11 established to separately account for any expenditures on state buildings  
12 or facilities to comply with the federal Americans with Disabilities Act  
13 of 1990. A minimal amount of the funds contained in the subfunds,  
14 subprograms, projects, or accounts may be used for planning and  
15 evaluation of buildings and facilities.

16 (3) The budget division of the Department of Administrative Services  
17 may administratively transfer funds to appropriate accounting entities to  
18 correctly account for the operating expenditures. A separate fund, cash  
19 fund, project, or other account may be administratively established for  
20 such purpose.

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

24 (5) The State Treasurer shall transfer seven hundred eighty-three  
25 thousand six hundred sixty-seven dollars from the Building Renewal  
26 Allocation Fund to the General Fund on or after June 15, 2018, but before  
27 June 30, 2018, on such date as directed by the budget administrator of  
28 the budget division of the Department of Administrative Services.

29 (6) The State Treasurer shall transfer two hundred thousand dollars  
30 from the Building Renewal Allocation Fund to the General Fund on or after  
31 June 15, 2019, but before June 30, 2019, on such date as directed by the

1 budget administrator of the budget division of the Department of  
2 Administrative Services.

3 (7) The State Treasurer shall transfer one million seven hundred  
4 sixteen thousand three hundred thirty-three dollars from the Building  
5 Renewal Allocation Fund to the Accounting Division Cash Fund on July 1,  
6 2017, or as soon thereafter as administratively possible.

7 (8) The State Treasurer shall transfer two million three hundred  
8 thousand dollars from the Building Renewal Allocation Fund to the  
9 Accounting Division Cash Fund on July 1, 2018, or as soon thereafter as  
10 administratively possible.

11 Sec. 45. Section 81-188.01, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 81-188.01 (1) The State Building Renewal Assessment Fund is created.  
14 The fund shall be under the control of the Governor for allocation to  
15 building renewal projects of the various agencies and shall be  
16 administered in a manner consistent with the administration of the  
17 Building Renewal Allocation Fund pursuant to the Deferred Building  
18 Renewal Act. No amounts accruing to the State Building Renewal Assessment  
19 Fund shall be expended in any manner for purposes other than as provided  
20 in this section or as appropriated by the Legislature to meet the cost of  
21 administering the act. Transfers may be made from the fund to the General  
22 Fund at the direction of the Legislature.

23 (2) Revenue credited to the State Building Renewal Assessment Fund  
24 shall include amounts derived from charges assessed pursuant to  
25 subdivision (4)(b) of section 81-1108.17 and such other revenue as may be  
26 incident to the administration of the fund.

27 (3) Amounts appropriated from the fund shall be expended to conduct  
28 renewal work as defined in section 81-173 and to complete other  
29 improvements incident to such renewal work as deemed necessary or  
30 appropriate by the task force. From amounts accruing to the fund as the  
31 result of depreciation charges assessed pursuant to subdivision (4)(b) of

1 section 81-1108.17, expenditures for capital improvements shall be  
2 limited to improvements to only those facilities for which such charges  
3 have been assessed and remitted. From amounts accruing to the fund as the  
4 result of depreciation charges assessed pursuant to section 81-188.02  
5 prior to July 1, 2011, expenditures for capital improvement projects  
6 shall be limited to exclude (a) capital improvement projects relating to  
7 facilities, structures, or buildings owned, leased, or operated by the  
8 (i) University of Nebraska, (ii) Nebraska state colleges, (iii)  
9 Department of Aeronautics, (iv) Department of Roads, (v) Game and Parks  
10 Commission, or (vi) Board of Educational Lands and Funds and (b) capital  
11 improvement projects relating to facilities, structures, or buildings for  
12 which depreciation charges are assessed pursuant to subdivision (4)(b) of  
13 section 81-1108.17.

14 (4) The State Treasurer shall transfer three million four hundred  
15 thirty-two thousand six hundred sixty-seven dollars from the State  
16 Building Renewal Assessment Fund to the Accounting Division Cash Fund on  
17 July 1, 2017, or as soon thereafter as administratively possible.

18 (5) The State Treasurer shall transfer four million six hundred  
19 thousand dollars from the State Building Renewal Assessment Fund to the  
20 Accounting Division Cash Fund on July 1, 2018, or as soon thereafter as  
21 administratively possible.

22 (6) ~~(4)~~ Any money in the State Building Renewal Assessment Fund fund  
23 available for investment shall be invested by the state investment  
24 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
25 State Funds Investment Act.

26 Sec. 46. Section 81-405, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28 81-405 The Mechanical Safety Inspection Fund is created. All fees  
29 collected by the Department of Labor pursuant to the Nebraska Amusement  
30 Ride Act and the Conveyance Safety Act shall be remitted to the State  
31 Treasurer for credit to the Mechanical Safety Inspection Fund. ~~Fees so~~

1 ~~collected shall not lapse into the General Fund.~~ Fees so collected shall  
2 be used for the sole purpose of administering the provisions of the  
3 Nebraska Amusement Ride Act and the Conveyance Safety Act. Any money in  
4 the Mechanical Safety Inspection Fund available for investment shall be  
5 invested by the state investment officer pursuant to the Nebraska Capital  
6 Expansion Act and the Nebraska State Funds Investment Act. Money in the  
7 Mechanical Safety Inspection Fund may be transferred to the General Fund  
8 at the direction of the Legislature All funds existing in the Elevator  
9 Inspection Fund and the Nebraska Amusement Ride Fund on January 1, 2008,  
10 shall be transferred to the Mechanical Safety Inspection Fund.

11 The State Treasurer shall transfer one hundred fifty thousand  
12 dollars from the Mechanical Safety Inspection Fund to the General Fund on  
13 or before June 15, 2018, on such dates and in such amounts as directed by  
14 the budget administrator of the budget division of the Department of  
15 Administrative Services.

16 Sec. 47. Section 81-406, Revised Statutes Cumulative Supplement,  
17 2016, is amended to read:

18 81-406 (1) ~~The Contractor and Professional Employer Organization~~  
19 ~~Registration Cash Fund is created.~~ The fund shall be administered by the  
20 Department of Labor and shall consist of fees collected by the department  
21 pursuant to the Farm Labor Contractors Act, the Contractor Registration  
22 Act, and the Professional Employer Organization Registration Act and such  
23 sums as are appropriated to the fund by the Legislature. The fund shall  
24 be used for enforcing and administering the Farm Labor Contractors Act,  
25 the Contractor Registration Act, the Employee Classification Act, and the  
26 Professional Employer Organization Registration Act. Any money in the  
27 fund available for investment shall be invested by the state investment  
28 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
29 State Funds Investment Act. Money in the Contractor and Professional  
30 Employer Organization Registration Cash Fund may be transferred to the  
31 General Fund at the direction of the Legislature.

1        The State Treasurer shall transfer one million seven hundred  
2 thousand dollars from the Contractor and Professional Employer  
3 Organization Registration Cash Fund to the General Fund on or before June  
4 15, 2018, on such dates and in such amounts as directed by the budget  
5 administrator of the budget division of the Department of Administrative  
6 Services.

7        ~~(2) The Farm Labor Contractors Fund, the Contractor Registration~~  
8 ~~Cash Fund, and the Professional Employer Organization Cash Fund terminate~~  
9 ~~on July 1, 2016, and the State Treasurer shall transfer any money in such~~  
10 ~~funds on such date to the Contractor and Professional Employer~~  
11 ~~Organization Registration Cash Fund.~~

12        Sec. 48. Section 81-638, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14        81-638 (1) Subject to subsection (4) of this section, the The  
15 Legislature shall appropriate for each year from the Health and Human  
16 Services Cash Fund to the department an amount derived from one cent of  
17 the cigarette tax imposed by section 77-2602, less any amount  
18 appropriated from the fund specifically to the University of Nebraska  
19 Eppley Institute for Research in Cancer and Allied Diseases. The  
20 department shall, after deducting expenses incurred in the administration  
21 of such funds, distribute such funds exclusively for grants and contracts  
22 for research of cancer and smoking diseases, for funding the cancer  
23 registry prescribed in sections 81-642 to 81-650, and for associated  
24 expenses due to the establishment and maintenance of such cancer  
25 registry. Not more than two hundred thousand dollars shall be  
26 appropriated for funding the cancer registry and associated expenses. The  
27 University of Nebraska may receive such grants and contracts, and other  
28 postsecondary institutions having colleges of medicine located in the  
29 State of Nebraska may receive such contracts.

30        (2) Subject to subsection (4) of this section, the The Legislature  
31 shall appropriate for each year from the Health and Human Services Cash

1 Fund to the department for cancer research an amount derived from two  
2 cents of the cigarette tax imposed by section 77-2602 to be used  
3 exclusively for grants and contracts for research on cancer and smoking  
4 diseases. No amount shall be appropriated or used pursuant to this  
5 subsection for the operation and associated expenses of the cancer  
6 registry. Not more than one-half of the funds appropriated pursuant to  
7 this subsection shall be distributed to the University of Nebraska  
8 Medical Center for research in cancer and allied diseases and the  
9 University of Nebraska Eppley Institute for Research in Cancer and Allied  
10 Diseases. The remaining funds available pursuant to this subsection shall  
11 be distributed for contracts with other postsecondary educational  
12 institutions having colleges of medicine located in Nebraska which have  
13 cancer research programs for the purpose of conducting research in cancer  
14 and allied diseases.

15 (3) Any contract between the department and another postsecondary  
16 educational institution for cancer research under subsection (2) of this  
17 section shall provide that:

18 (a) Any money appropriated for such contract shall only be used for  
19 cancer research and shall not be used to support any other program in the  
20 institution;

21 (b) Full and detailed reporting of the expenditure of all funds  
22 under the contract is required. The report shall include, but not be  
23 limited to, separate accounting for personal services, equipment  
24 purchases or leases, and supplies. Such reports shall be made available  
25 electronically to the Legislature; and

26 (c) No money appropriated for such contract shall be spent for  
27 travel, building construction, or any other purpose not directly related  
28 to the research that is the subject of the contract.

29 (4) The State Treasurer shall transfer seven million dollars from  
30 the Health and Human Services Cash Fund to the General Fund on or before  
31 June 30, 2018, on such dates and in such amounts as directed by the

1 budget administrator of the budget division of the Department of  
2 Administrative Services. It is the intent of the Legislature that the  
3 transfer to the General Fund in this subsection be from funds credited to  
4 the Cancer Research subfund of the Health and Human Services Cash Fund  
5 which were in excess of appropriations established in subsections (1) and  
6 (2) of this section.

7       Sec. 49. Section 81-885.15, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9       81-885.15 All fees collected under the Nebraska Real Estate License  
10 Act shall be deposited in the state treasury in a fund to be known as the  
11 State Real Estate Commission's Fund. The commission may use such part of  
12 the money in this fund as is necessary to be used by it in the  
13 administration and enforcement of the act. Transfers may be made from the  
14 fund to the General Fund at the direction of the Legislature through June  
15 30, ~~2019~~ 2014. The State Real Estate Commission's Fund shall be paid out  
16 only upon proper vouchers and upon warrants issued by the Director of  
17 Administrative Services and countersigned by the State Treasurer, as  
18 provided by law. The expenses of conducting the office must always be  
19 kept within the income collected and deposited with the State Treasurer  
20 by such commission and such office, and the expense thereof shall not be  
21 supported or paid from any other state fund. Any money in the State Real  
22 Estate Commission's Fund available for investment shall be invested by  
23 the state investment officer pursuant to the Nebraska Capital Expansion  
24 Act and the Nebraska State Funds Investment Act.

25       The State Treasurer shall transfer two hundred thousand dollars from  
26 the State Real Estate Commission's Fund to the General Fund on or before  
27 June 30, 2018, on such dates and in such amounts as directed by the  
28 budget administrator of the budget division of the Department of  
29 Administrative Services. The State Treasurer shall transfer two hundred  
30 thousand dollars from the State Real Estate Commission's Fund to the  
31 General Fund on or before June 30, 2019, on such dates and in such



1 amounts as directed by the budget administrator of the budget division of  
2 the Department of Administrative Services.

3       Sec. 50. Section 81-12,160, Revised Statutes Cumulative Supplement,  
4 2016, is amended to read:

5       81-12,160 (1) The department shall establish a financial assistance  
6 program to provide financial assistance to businesses operating in  
7 Nebraska that employ no more than five hundred employees or to  
8 individuals that have a prototype of a product or process for the  
9 purposes of commercializing such product or process. The applicant shall  
10 submit a feasibility study stating the potential sales and profit  
11 projections for the product or process.

12       (2) The department shall create a program with the following  
13 provisions to support commercialization of a product or process:

14       (a) Commercialization infrastructure documentation, including market  
15 assessments and start-up strategic planning;

16       (b) Promotion, marketing, advertising, and consulting;

17       (c) Management and business planning support;

18       (d) Linking companies and entrepreneurs to mentors;

19       (e) Preparing companies and entrepreneurs to acquire venture  
20 capital; and

21       (f) Linking companies to sources of capital.

22       (3) Funds shall be matched by nonstate funds equal to fifty percent  
23 of the funds requested. Matching funds may be from any nonstate source,  
24 including private foundations, federal or local government sources,  
25 quasi-governmental entities, or commercial lending institutions, or any  
26 other funds whose source does not include funds appropriated by the  
27 Legislature.

28       (4) The department shall not provide more than five hundred thousand  
29 dollars to any one project. Each year the department ~~may shall~~ award up  
30 to at least two million dollars but not more than four million dollars  
31 under this section.

1 (5) Financial assistance provided under this section shall be  
2 expended within twenty-four months after the date of the awarding  
3 decision.

4 (6) To carry out this section, the department shall contract with  
5 one statewide venture development organization that is incorporated in  
6 the State of Nebraska and exempt for federal tax purposes under section  
7 501(c)(3) of the Internal Revenue Code.

8 Sec. 51. Section 81-12,162, Revised Statutes Cumulative Supplement,  
9 2016, is amended to read:

10 81-12,162 (1) The department shall establish a small business  
11 investment program. The program:

12 (a) Shall provide grants to microloan delivery or microloan  
13 technical assistance organizations to:

14 (i) Better assure that Nebraska's microenterprises are able to  
15 realize their full potential to create jobs, enhance entrepreneurial  
16 skills and activity, and increase low-income households' capacity to  
17 become self-sufficient;

18 (ii) Provide funding to foster the creation of microenterprises;

19 (iii) Establish the department as the coordinating office for the  
20 facilitation of microlending and microenterprise development;

21 (iv) Facilitate the development of a permanent, statewide  
22 infrastructure of microlending support organizations to serve Nebraska's  
23 microenterprise and self-employment sectors;

24 (v) Enable the department to provide grants to community-based  
25 microenterprise development organizations in order to encourage the  
26 development and growth of microenterprises throughout Nebraska; and

27 (vi) Enable the department to engage in contractual relationships  
28 with statewide microlending support organizations which have the capacity  
29 to leverage additional nonstate funds for microenterprise lending.

30 To the maximum extent possible, the selection process should assure  
31 that the distribution of such financial assistance provides equitable

1 access to the benefits of the Business Innovation Act by all geographic  
2 areas of the state; and

3 (b) May identify and coordinate other state and federal sources of  
4 funds which may be available to the department to enhance the state's  
5 ability to facilitate financial assistance pursuant to the program.

6 (2) To establish the criteria for making an award to a microloan  
7 delivery or microloan technical assistance organization, the department  
8 shall consider:

9 (a) The plan for providing business development services and  
10 microloans to microenterprises;

11 (b) The scope of services to be provided by the microloan delivery  
12 or microloan technical assistance organization;

13 (c) The plan for coordinating the services and loans provided by the  
14 microloan delivery or microloan technical assistance organization with  
15 commercial lending institutions;

16 (d) The geographic representation of all regions of the state,  
17 including both urban and rural communities and neighborhoods;

18 (e) The ability of the microloan delivery or microloan technical  
19 assistance organization to provide for business development in areas of  
20 chronic economic distress and low-income regions of the state;

21 (f) The ability of the microloan delivery or microloan technical  
22 assistance organization to provide business training and technical  
23 assistance to microenterprise clients;

24 (g) The ability of the microloan delivery or microloan technical  
25 assistance organization to monitor and provide financial oversight of  
26 recipients of microloans; and

27 (h) Sources and sufficiency of operating funds for the  
28 microenterprise development organization.

29 (3) Awards made by the department to a microloan delivery or  
30 microloan technical assistance organization may be used to:

31 (a) Satisfy matching fund requirements for other federal or private

1 grants;

2 (b) Establish a revolving loan fund from which the microloan  
3 delivery or microloan technical assistance organization may make loans to  
4 microenterprises;

5 (c) Establish a guaranty fund from which the microloan delivery or  
6 microloan technical assistance organization may guarantee loans made by  
7 commercial lending institutions to microenterprises;

8 (d) Provide funding for the operating costs of a microloan delivery  
9 or microloan technical assistance organization not to exceed twenty  
10 percent; and

11 (e) Provide grants to establish loan-loss reserve funds to match  
12 loan capital borrowed from other sources, including federal  
13 microenterprise loan programs.

14 (4) Any award of financial assistance to a microloan delivery or  
15 microloan technical assistance organization shall meet the following  
16 qualifications:

17 (a) Funds shall be matched by nonstate funds equivalent in money or  
18 in-kind contributions or a combination of both equal to thirty-five  
19 percent of the grant funds requested. Such matching funds may be from any  
20 nonstate source, including private foundations, federal or local  
21 government sources, quasi-governmental entities, or commercial lending  
22 institutions, or any other funds whose source does not include funds  
23 appropriated by the Legislature;

24 (b) Microloan funds shall be disbursed in microloans which do not  
25 exceed one hundred thousand dollars or used to capitalize loan-loss  
26 reserve funds for such loans; and

27 (c) A minimum of fifty percent of the microloan funds shall be used  
28 by a microenterprise development assistance organization for small  
29 business technical assistance.

30 The department shall contract with a statewide microenterprise  
31 development assistance organization to carry out this section.

1 (5) Each year the department ~~may shall~~ award up to at least one  
2 ~~million dollars but not more than~~ two million dollars under this section.

3 Sec. 52. Section 81-1558, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 81-1558 There is hereby created within the state treasury a fund to  
6 be known as the Nebraska Litter Reduction and Recycling Fund. The  
7 proceeds of the fee imposed by sections 81-1559 to 81-1560.02, money  
8 received by the department as gifts, donations, or contributions toward  
9 the goals stated in section 81-1535, and money received by the department  
10 for nonprofit activities concerning litter reduction and recycling,  
11 including, but not limited to, honoraria, literature furnished by the  
12 department, and funds realized as reimbursement for expenses in  
13 conducting educational forums, shall be remitted to the State Treasurer  
14 for credit to such fund to be used for the administration and enforcement  
15 of the Nebraska Litter Reduction and Recycling Act. Transfers may be made  
16 from the fund to the General Fund at the direction of the Legislature.  
17 Any money in the Nebraska Litter Reduction and Recycling Fund fund  
18 available for investment shall be invested by the state investment  
19 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
20 State Funds Investment Act.

21 Sec. 53. Section 81-15,175, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 81-15,175 (1) The board may make an annual allocation each fiscal  
24 year from the Nebraska Environmental Trust Fund to the Nebraska  
25 Environmental Endowment Fund as provided in section 81-15,174.01. The  
26 board shall make annual allocations from the Nebraska Environmental Trust  
27 Fund and may make annual allocations each fiscal year from the Nebraska  
28 Environmental Endowment Fund for projects which conform to the  
29 environmental categories of the board established pursuant to section  
30 81-15,176 and to the extent the board determines those projects to have  
31 merit. The board shall establish a calendar annually for receiving and

1 evaluating proposals and awarding grants. To evaluate the economic,  
2 financial, and technical feasibility of proposals, the board may  
3 establish subcommittees, request or contract for assistance, or establish  
4 advisory groups. Private citizens serving on advisory groups shall be  
5 reimbursed for their actual and necessary expenses pursuant to sections  
6 81-1174 to 81-1177.

7 (2) The board shall establish rating systems for ranking proposals  
8 which meet the board's environmental categories and other criteria. The  
9 rating systems shall include, but not be limited to, the following  
10 considerations:

11 (a) Conformance with categories established pursuant to section  
12 81-15,176;

13 (b) Amount of funds committed from other funding sources;

14 (c) Encouragement of public-private partnerships;

15 (d) Geographic mix of projects over time;

16 (e) Cost-effectiveness and economic impact;

17 (f) Direct environmental impact;

18 (g) Environmental benefit to the general public and the long-term  
19 nature of such public benefit; and

20 (h) Applications recommended by the Director of Natural Resources  
21 and submitted by the Department of Natural Resources pursuant to  
22 subsection (7) of section 61-218 shall be awarded fifty priority points  
23 in the ranking process for the 2011 grant application if the Legislature  
24 has authorized annual transfers of three million three hundred thousand  
25 dollars to the Water Resources Cash Fund for each of fiscal years 2011-12  
26 and 2012-13 and has stated its intent to transfer three million three  
27 hundred thousand dollars to the Water Resources Cash Fund in fiscal year  
28 2013-14. Priority points shall be awarded if the proposed programs set  
29 forth in the grant application are consistent with the purposes of  
30 reducing consumptive uses of water, enhancing streamflows, recharging  
31 ground water, or supporting wildlife habitat in any river basin

1 determined to be fully appropriated pursuant to section 46-714 or  
2 designated as overappropriated pursuant to section 46-713.

3 (3) A grant awarded under this section pursuant to an application  
4 made under subsection (7) of section 61-218 shall be paid out in the  
5 following manner:

6 (a) The initial three million three hundred thousand dollar  
7 installment shall be remitted to the State Treasurer for credit to the  
8 Water Resources Cash Fund no later than fifteen business days after the  
9 date that the grant is approved by the board;

10 (b) The second three million three hundred thousand dollar  
11 installment shall be remitted to the State Treasurer for credit to the  
12 Water Resources Cash Fund no later than May 15, 2013; and

13 (c) The third three million three hundred thousand dollar  
14 installment shall be remitted to the State Treasurer for credit to the  
15 Water Resources Cash Fund no later than May 15, 2014, if the Legislature  
16 has authorized a transfer of three million three hundred thousand dollars  
17 from the General Fund to the Water Resources Cash Fund for fiscal year  
18 2013-14.

19 (4) It is the intent of the Legislature that the Department of  
20 Natural Resources apply for an additional three-year grant from the  
21 Nebraska Environmental Trust Fund that would begin in fiscal year 2014-15  
22 and a three-year grant that would begin in fiscal year 2017-18 and such  
23 application shall be awarded fifty priority points in the ranking process  
24 as set forth in subdivision (2)(h) of this section if the following  
25 criteria are met:

26 (a) The Natural Resources Committee of the Legislature has examined  
27 options for water funding and has submitted a report electronically to  
28 the Clerk of the Legislature and the Governor by December 1, 2012,  
29 setting forth:

30 (i) An outline and priority listing of water management and funding  
31 needs in Nebraska, including instream flows, residential, agricultural,

1 recreational, and municipal needs, interstate obligations, water quality  
2 issues, and natural habitats preservation;

3 (ii) An outline of statewide funding options which create a  
4 dedicated, sustainable funding source to meet the needs set forth in the  
5 report; and

6 (iii) Recommendations for legislation;

7 (b) The projects and activities funded by the department through  
8 grants from the Nebraska Environmental Trust Fund under this section have  
9 resulted in enhanced streamflows, reduced consumptive uses of water,  
10 recharged ground water, supported wildlife habitat, or otherwise  
11 contributed towards conserving, enhancing, and restoring Nebraska's  
12 ground water and surface water resources. On or before July 1, 2014, the  
13 department shall submit electronically a report to the Natural Resources  
14 Committee of the Legislature providing demonstrable evidence of the  
15 benefits accrued from such projects and activities; and

16 (c) In addition to the grant reporting requirements of the trust, on  
17 or before July 1, 2014, the department provides to the board a report  
18 which includes documentation that:

19 (i) Expenditures from the Water Resources Cash Fund made to natural  
20 resources districts have met the matching fund requirements provided in  
21 subdivision (5)(a) of section 61-218;

22 (ii) Ten percent or less of the matching fund requirements has been  
23 provided by in-kind contributions for expenses incurred for projects  
24 enumerated in the grant application. In-kind contributions shall not  
25 include land or land rights; and

26 (iii) All other projects and activities funded by the department  
27 through grants from the Nebraska Environmental Trust Fund under this  
28 section were matched not less than forty percent of the project or  
29 activity cost by other funding sources.

30 (5) The board may establish a subcommittee to rate grant  
31 applications. If the board uses a subcommittee, the meetings of such



1 subcommittee shall be subject to the Open Meetings Act. The subcommittee  
2 shall (a) use the rating systems established by the board under  
3 subsection (2) of this section, (b) assign a numeric value to each rating  
4 criterion, combine these values into a total score for each application,  
5 and rank the applications by the total scores, (c) recommend an amount of  
6 funding for each application, which amount may be more or less than the  
7 requested amount, and (d) submit the ranked list and recommended funding  
8 to the board for its approval or disapproval.

9 (6) The board may commit funds to multiyear projects, subject to  
10 available funds and appropriations. No commitment shall exceed three  
11 years without formal action by the board to renew the grant or contract.  
12 Multiyear commitments may be exempt from the rating process except for  
13 the initial application and requests to renew the commitment.

14 (7) The board shall adopt and promulgate rules and regulations and  
15 publish guidelines governing allocations from the fund. The board shall  
16 conduct annual reviews of existing projects for compliance with project  
17 goals and grant requirements.

18 (8) Every five years the board may evaluate the long-term effects of  
19 the projects it funds. The evaluation may assess a sample of such  
20 projects. The board may hire an independent consultant to conduct the  
21 evaluation and may report the evaluation findings to the Legislature and  
22 the Governor. The report submitted to the Legislature shall be submitted  
23 electronically.

24 Sec. 54. Section 81-3432, Revised Statutes Cumulative Supplement,  
25 2016, is amended to read:

26 81-3432 The Engineers and Architects Regulation Fund is created. The  
27 secretary of the board shall receive and account for all money derived  
28 from the operation of the Engineers and Architects Regulation Act and  
29 shall remit the money to the State Treasurer for credit to the Engineers  
30 and Architects Regulation Fund. All expenses certified by the board as  
31 properly and necessarily incurred in the discharge of duties, including

1 compensation and administrative staff, and any expense incident to the  
2 administration of the act relating to other states shall be paid out of  
3 the fund. Debt repayments payable pursuant to section 81-3432.01 shall be  
4 paid out of the fund. Warrants for the payment of expenses shall be  
5 issued by the Director of Administrative Services and paid by the State  
6 Treasurer upon presentation of vouchers regularly drawn by the  
7 chairperson and secretary of the board and approved by the board. At no  
8 time shall the total amount of warrants exceed the total amount of the  
9 fees collected under the act and to the credit of the fund. Any money in  
10 the fund available for investment shall be invested by the state  
11 investment officer pursuant to the Nebraska Capital Expansion Act and the  
12 Nebraska State Funds Investment Act. Money in the Engineers and  
13 Architects Regulation Fund may be transferred to the General Fund at the  
14 direction of the Legislature.

15 The State Treasurer shall transfer three hundred thousand dollars  
16 from the Engineers and Architects Regulation Fund to the General Fund on  
17 or before June 15, 2018, on such dates and in such amounts as directed by  
18 the budget administrator of the budget division of the Department of  
19 Administrative Services.

20 Sec. 55. Section 82-331, Revised Statutes Cumulative Supplement,  
21 2016, is amended to read:

22 82-331 (1) There is hereby established in the state treasury a trust  
23 fund to be known as the Nebraska Cultural Preservation Endowment Fund.  
24 The fund shall consist of funds appropriated or transferred by the  
25 Legislature, and only the earnings of the fund may be used as provided in  
26 this section.

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

30 (3) Except as provided in subsection (4) of this section, it is the  
31 intent of the Legislature that the State Treasurer shall transfer (a) an

1 amount not to exceed one million dollars from the General Fund to the  
2 Nebraska Cultural Preservation Endowment Fund on December 31, 2013, (b)  
3 an amount not to exceed five hundred thousand dollars from the General  
4 Fund to the Nebraska Cultural Preservation Endowment Fund on December 31,  
5 2014, (c) an amount not to exceed seven hundred fifty thousand dollars  
6 from the General Fund to the Nebraska Cultural Preservation Endowment  
7 Fund on December 31 of 2015 and 2016, and (d) an amount not to exceed  
8 five hundred thousand dollars from the General Fund to the Nebraska  
9 Cultural Preservation Endowment Fund annually on December 31 beginning in  
10 2019 ~~2017~~ and continuing through December 31, 2028 ~~2026~~.

11 (4) Prior to the transfer of funds from any state account into the  
12 Nebraska Cultural Preservation Endowment Fund, the Nebraska Arts Council  
13 shall provide documentation to the budget division of the Department of  
14 Administrative Services that qualified endowments have generated a  
15 dollar-for-dollar match of new money, up to the amount of state funds  
16 authorized by the Legislature to be transferred to the Nebraska Cultural  
17 Preservation Endowment Fund. For purposes of this section, new money  
18 means a contribution to a qualified endowment generated after July 1,  
19 2011. Contributions not fully matched by state funds shall be carried  
20 forward to succeeding years and remain available to provide a dollar-for-  
21 dollar match for state funds. For an endowment to be a qualified  
22 endowment (a) the endowment must meet the standards set by the Nebraska  
23 Arts Council or Nebraska Humanities Council, (b) the endowment must be  
24 intended for long-term stabilization of the organization, and (c) the  
25 funds of the endowment must be endowed and only the earnings thereon  
26 expended. The budget division of the Department of Administrative  
27 Services shall notify the State Treasurer to execute a transfer of state  
28 funds up to the amount specified by the Legislature, but only to the  
29 extent that the Nebraska Arts Council has provided documentation of a  
30 dollar-for-dollar match. State funds not transferred shall be carried  
31 forward to the succeeding year and be added to the funds authorized for a

1 dollar-for-dollar match during that year.

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

8 (6) Any money in the Nebraska Cultural Preservation Endowment Fund  
9 available for investment shall be invested by the state investment  
10 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
11 State Funds Investment Act.

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

15 Sec. 56. Section 85-1414.01, Revised Statutes Cumulative Supplement,  
16 2016, is amended to read:

17 85-1414.01 (1) The Legislature finds that:

18 (a) The availability and accessibility of quality, affordable oral  
19 health care for all residents of the State of Nebraska is a matter of  
20 public concern and represents a compelling need affecting the general  
21 welfare of all residents;

22 (b) The development and sustainability of a skilled workforce in the  
23 practice of dentistry is a public health priority for the State of  
24 Nebraska; and

25 (c) According to research sponsored by the Office of Oral Health and  
26 Dentistry of the Department of Health and Human Services, the Nebraska  
27 Rural Health Advisory Commission, and the Health Professions Tracking  
28 Service of the College of Public Health of the University of Nebraska  
29 Medical Center:

30 (i) A majority of the ninety-three counties of the State of Nebraska  
31 are general dentistry shortage areas as designated by the Nebraska Rural

1 Health Advisory Commission and more than twenty percent of the ninety-  
2 three counties have no dentist;

3 (ii) Eighty-two counties are shortage areas in pediatric dentistry  
4 as designated by the Nebraska Rural Health Advisory Commission;

5 (iii) The uneven distribution of dentists in the State of Nebraska  
6 is a public health concern and twenty-four percent of the dentists in  
7 Nebraska are estimated to be planning to retire by 2017;

8 (iv) Sixty percent of the children in the State of Nebraska  
9 experience dental disease by the time they are in the third grade; and

10 (v) It is estimated that more than twenty-five thousand children  
11 attending public schools in Omaha, Nebraska, do not have a means of  
12 continuing dental care.

13 (2) It is the intent of the Legislature to provide for the  
14 development of a skilled and diverse workforce in the practice of  
15 dentistry and oral health care in order to provide for the oral health of  
16 all residents of Nebraska, to assist in dispersing the workforce to  
17 address the disparities of the at-risk populations in the state, and to  
18 focus efforts in areas and demographic groups in which access to a  
19 skilled workforce in the practice of dentistry and oral health care is  
20 most needed. In order to accomplish these goals, the Legislature  
21 recognizes that it is necessary to contract with professional dental  
22 education institutions committed to addressing the critical oral health  
23 care needs of the residents of Nebraska.

24 (3) The Oral Health Training and Services Fund is created. The  
25 Coordinating Commission for Postsecondary Education shall administer the  
26 fund to contract for reduced-fee and charitable oral health services,  
27 oral health workforce development, and oral health services using  
28 telehealth as defined in section 71-8503 for the residents of Nebraska.  
29 Any money in the fund available for investment shall be invested by the  
30 state investment officer pursuant to the Nebraska Capital Expansion Act  
31 and the Nebraska State Funds Investment Act.

1           (4) To be eligible to enter into a contract under this section, an  
2 applicant shall be a corporation exempt for federal tax purposes under  
3 section 501(c)(3) of the Internal Revenue Code and shall submit a plan to  
4 the commission as prescribed in subsection (5) of this section to provide  
5 oral health training, including assistance for the graduation of dental  
6 students at a Nebraska dental college, to provide discounted or  
7 charitable oral health services focusing on lower-income and at-risk  
8 populations within the state, and to target the unmet oral health care  
9 needs of residents of Nebraska. In addition, the applicant shall submit  
10 at least five letters of intent with school districts or federally  
11 qualified health centers as defined in section 1905(l)(2)(B) of the  
12 federal Social Security Act, 42 U.S.C. 1396d(l)(2)(B), as such act and  
13 section existed on January 1, 2010, in at least five different counties  
14 throughout the state to provide discounted or charitable oral health  
15 services for a minimum of ten years. An application to enter into a  
16 contract under this section shall be made no later than January 1, 2017.

17           (5) The plan shall include (a) a proposal to provide oral health  
18 training at a reduced fee to students in dental education programs who  
19 agree to practice dentistry for at least five years after graduation in a  
20 dental health profession shortage area designated by the Nebraska Rural  
21 Health Advisory Commission pursuant to section 71-5665, (b) a proposal to  
22 provide discounted or charitable oral health services for a minimum of  
23 ten years to residents of Nebraska, and (c) a proposal to provide oral  
24 health services to residents of Nebraska using telehealth as defined in  
25 section 71-8503.

26           (6) Any party entering into a contract under this section shall  
27 agree that any funds disbursed pursuant to the contract shall only be  
28 used for services and equipment related to the proposals in the plan and  
29 shall not be used for any other program operated by the contracting  
30 party. If any of the funds disbursed pursuant to the contract are used  
31 for equipment, such funds shall only be used for patient-centered oral

1 health care equipment, including, but not limited to, dental chairs for  
2 patients, lighting for examination and procedure rooms, and other  
3 equipment used for oral health services for patients and for training  
4 students in dental education programs, and shall not be used for travel,  
5 construction, or any other purpose not directly related to the proposals  
6 in the plan.

7 (7) The contract shall require matching funds from other sources in  
8 a four-to-one ratio with the funds to be disbursed under the contract.  
9 The party entering into the contract shall specify the source and amount  
10 of all matching funds. No applicant shall receive an award amount under a  
11 contract under this section of more than eight million dollars. If more  
12 than one applicant meets the requirements of this section to enter into a  
13 contract and provides evidence that private or other funds have been  
14 received by the applicant as matching funds for such a contract in an  
15 amount greater than or equal to sixteen million dollars, each of such  
16 applicants shall receive an award amount under a contract equal to eight  
17 million dollars divided by the number of such applicants. If one of such  
18 applicants qualifies for a contract award amount of less than four  
19 million dollars, any other such applicant may receive a contract award  
20 amount up to eight million dollars minus the amount awarded to the  
21 applicant qualifying for less than four million dollars. The contract  
22 amount shall be awarded first to the applicant qualifying for the lowest  
23 contract award amount. The contract shall require full and detailed  
24 reporting of the expenditure of funds disbursed pursuant to the contract.  
25 Any party entering into a contract under this section shall report  
26 electronically to the Legislature within one hundred twenty days after  
27 the expenditure of the funds disbursed pursuant to the contract detailing  
28 the nature of the expenditures made as a result of the contract. In  
29 addition, any party entering into a contract under this section shall  
30 report electronically to the Legislature on an annual basis the  
31 charitable oral health services provided in school districts and

1 federally qualified health centers and the number of recipients and the  
2 placements of students receiving oral health training at a reduced fee in  
3 dental education programs.

4 (8) The State Treasurer shall transfer the June 30, 2017,  
5 unobligated balance in the Oral Health Training and Services Fund to the  
6 Cash Reserve Fund on such date as directed by the budget administrator of  
7 the budget division of the Department of Administrative Services.

8 Sec. 57. Section 86-324, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 86-324 (1) The Nebraska Telecommunications Universal Service Fund is  
11 hereby created. The fund shall provide the assistance necessary to make  
12 universal access to telecommunications services available to all persons  
13 in the state consistent with the policies set forth in the Nebraska  
14 Telecommunications Universal Service Fund Act. Only eligible  
15 telecommunications companies designated by the commission shall be  
16 eligible to receive support to serve high-cost areas from the fund. A  
17 telecommunications company that receives such support shall use that  
18 support only for the provision, maintenance, and upgrading of facilities  
19 and services for which the support is intended. Any such support should  
20 be explicit and sufficient to achieve the purpose of the act.

21 (2) Notwithstanding the provisions of section 86-124, in addition to  
22 other provisions of the act, and to the extent not prohibited by federal  
23 law, the commission:

24 (a) Shall have authority and power to subject eligible  
25 telecommunications companies to service quality, customer service, and  
26 billing regulations. Such regulations shall apply only to the extent of  
27 any telecommunications services or offerings made by an eligible  
28 telecommunications company which are eligible for support by the fund.  
29 The commission shall be reimbursed from the fund for all costs related to  
30 drafting, implementing, and enforcing the regulations and any other  
31 services provided on behalf of customers pursuant to this subdivision;



1 (b) Shall have authority and power to issue orders carrying out its  
2 responsibilities and to review the compliance of any eligible  
3 telecommunications company receiving support for continued compliance  
4 with any such orders or regulations adopted pursuant to the act;

5 (c) May withhold all or a portion of the funds to be distributed  
6 from any telecommunications company failing to continue compliance with  
7 the commission's orders or regulations;

8 (d) Shall require every telecommunications company to contribute to  
9 any universal service mechanism established by the commission pursuant to  
10 state law. The commission shall require, as reasonably necessary, an  
11 annual audit of any telecommunications company to be performed by a  
12 third-party certified public accountant to insure the billing,  
13 collection, and remittance of a surcharge for universal service. The  
14 costs of any audit required pursuant to this subdivision shall be paid by  
15 the telecommunications company being audited;

16 (e) Shall require an audit of information provided by a  
17 telecommunications company to be performed by a third-party certified  
18 public accountant for purposes of calculating universal service fund  
19 payments to such telecommunications company. The costs of any audit  
20 required pursuant to this subdivision shall be paid by the  
21 telecommunications company being audited; and

22 (f) May administratively fine pursuant to section 75-156 any person  
23 who violates the Nebraska Telecommunications Universal Service Fund Act.

24 (3) Any money in the fund available for investment shall be invested  
25 by the state investment officer pursuant to the Nebraska Capital  
26 Expansion Act and the Nebraska State Funds Investment Act, and for the  
27 period July 1, 2017, through June 30, 2019, any interest earned by the  
28 fund shall be credited to the General Fund.

29 ~~(4)(a) The State Treasurer shall transfer funds from the Nebraska~~  
30 ~~Telecommunications Universal Service Fund to the General Fund upon~~  
31 ~~certification by the Director of Administrative Services that the current~~

1 ~~cash balances in the General Fund and the Cash Reserve Fund are~~  
2 ~~inadequate to meet current obligations. Such certification shall include~~  
3 ~~the dollar amount to be transferred which shall not exceed the amount by~~  
4 ~~which the General Fund and Cash Reserve Fund are inadequate to meet~~  
5 ~~current obligations. The total of such transfers shall not reduce the~~  
6 ~~Nebraska Telecommunications Universal Service Fund balance below an~~  
7 ~~amount sufficient to meet the obligations on the fund for the next sixty~~  
8 ~~days. Any transfers made pursuant to this subsection shall be reversed~~  
9 ~~upon notification by the Director of Administrative Services that~~  
10 ~~sufficient funds are available or on June 30, 2007, whichever occurs~~  
11 ~~first.~~

12 ~~(b) Any transfer under this subsection not reversed within thirty~~  
13 ~~days after the initial transfer shall accrue interest in the amount of~~  
14 ~~five percent annually. Interest shall be calculated beginning on the~~  
15 ~~thirty-first day after the initial transfer and continue until the~~  
16 ~~transfer is completely reversed. The interest calculated shall be~~  
17 ~~credited to the Nebraska Telecommunications Universal Service Fund.~~

18 ~~(c) Any transfer of funds which has not been reversed as provided in~~  
19 ~~this subsection, with accrued interest, shall be considered an~~  
20 ~~encumbrance against the General Fund.~~

21 ~~(d) This subsection terminates on June 30, 2007.~~

22 Sec. 58. Section 86-463, Revised Statutes Cumulative Supplement,  
23 2016, is amended to read:

24 86-463 The Enhanced Wireless 911 Fund is created. The fund shall  
25 consist of the surcharges credited to the fund, any money appropriated by  
26 the Legislature, any federal funds received for wireless emergency  
27 communication except as otherwise provided in section 86-1028, and any  
28 other funds designated for credit to the fund. Money in the fund shall be  
29 used for the costs of administering the fund and the purposes specified  
30 in section 86-465 unless otherwise directed by federal law with respect  
31 to any federal funds. Money shall be transferred from the fund to the 911

1 Service System Fund at the direction of the Legislature. Within five days  
2 after April 19, 2016, the State Treasurer shall transfer two million one  
3 hundred thirty-eight thousand three hundred thirty-seven dollars from the  
4 Enhanced Wireless 911 Fund to the 911 Service System Fund. On or before  
5 July 5, 2017, the State Treasurer shall transfer one million nine hundred  
6 eighty-eight thousand seven hundred ninety dollars from the Enhanced  
7 Wireless 911 Fund to the 911 Service System Fund. The costs of  
8 administering the Enhanced Wireless 911 Fund shall be kept to a minimum.  
9 The money in the Enhanced Wireless 911 Fund shall not be subject to any  
10 fiscal-year limitation or lapse provision of unexpended balance at the  
11 end of any fiscal year or biennium. Any money in the Enhanced Wireless  
12 911 Fund available for investment shall be invested by the state  
13 investment officer pursuant to the Nebraska Capital Expansion Act and the  
14 Nebraska State Funds Investment Act, and for the period July 1, 2017,  
15 through June 30, 2019, any interest earned by the fund shall be credited  
16 to the General Fund.

17 Sec. 59. Original sections 12-1301, 19-102, 19-103, 29-4115.01,  
18 37-327.02, 48-1,116, 48-735.01, 60-3,218, 68-940.01, 71-1001, 71-7450,  
19 81-125.01, 81-179, 81-188.01, 81-405, 81-638, 81-885.15, 81-1558,  
20 81-15,175, and 86-324, Reissue Revised Statutes of Nebraska, and sections  
21 2-1222, 7-209, 47-632, 59-1608.04, 60-6,211.05, 60-1409, 61-218, 66-204,  
22 66-4,100, 66-1345, 66-1519, 71-7611, 72-1001, 72-2211, 77-2715.01,  
23 77-27,132, 81-406, 81-12,160, 81-12,162, 81-3432, 82-331, 85-1414.01, and  
24 86-463, Revised Statutes Cumulative Supplement, 2016, are repealed.

25 Sec. 60. Since an emergency exists, this act takes effect when  
26 passed and approved according to law.