

AMENDMENTS TO LB1368

Introduced by Ibach, 44.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Sections 1 to 7 of this act shall be known and may be
4 cited as the Nitrogen Reduction Incentive Act.

5 Sec. 2. The Legislature finds and declares that:

6 (1) Agriculture is Nebraska's number one industry;

7 (2) Water is Nebraska's most precious natural resource;

8 (3) Nebraska farmers are leading the charge on sustainable
9 agriculture initiatives that will make Nebraska a world-renowned leader
10 and ensure protection of the land and water of Nebraska for generations
11 to come; and

12 (4) The Nitrogen Reduction Incentive Act encourages farmers to adopt
13 efficient and sustainable practices to help Nebraska protect these
14 natural resources and positions Nebraska farmers to compete.

15 Sec. 3. For purposes of the Nitrogen Reduction Incentive Act,
16 commercial fertilizer has the same meaning as in section 81-2,162.02.

17 Sec. 4. (1) The nitrogen reduction incentive program is created and
18 shall be administered by the Department of Natural Resources. The
19 department may collaborate with natural resources districts to administer
20 the program.

21 (2) The purposes of the program are to:

22 (a) Provide incentive payments to farmers; and

23 (b) Encourage farmers to (i) reduce the use of commercial fertilizer
24 and (ii) incorporate innovative technology into farming practices,
25 including the proper use of biological nitrogen products.

26 (3) The program shall provide an annual per-acre incentive for any
27 farmer who verifies through documentation that commercial fertilizer

1 rates were reduced by the lesser of forty pounds per acre for nitrogen or
2 fifteen percent by incorporating a qualifying product in the farmer's
3 nutrient plans.

4 (4) A commercial fertilizer rate reduction from historic baseline
5 use shall be completed to qualify for the program.

6 (5) The department shall review the required commercial fertilizer
7 rate of reduction for the program on a biennial basis to determine if
8 higher reduction targets are necessary.

9 (6) The department shall:

10 (a) Collaborate with natural resources districts to add any new
11 technology to the program as it becomes available. Such technology shall
12 replace nitrogen fertilizer use and maintain farm productivity;

13 (b) Identify geographically beneficial target areas while keeping
14 the program open to all farmers in the state;

15 (c) Consult with farmers and commercial entities in the agriculture
16 industry to determine a per-acre payment rate tied to the commercial
17 fertilizer rate reduction but not less than ten dollars per acre; and

18 (d) Review the per-acre payment rate based on inflation or emerging
19 technology in subsequent years.

20 (7)(a) The department shall not award an amount of incentive
21 payments in total per year under the nitrogen reduction incentive program
22 that is greater than the lesser of:

23 (i) Five million dollars; or

24 (ii) The amount appropriated for such purpose by the Legislature.

25 (b) It is the intent of the Legislature that any appropriation from
26 the General Fund to carry out the Nitrogen Reduction Incentive Act be
27 used only for operating expenses.

28 Sec. 5. The department shall adopt and promulgate rules and
29 regulations that adopt a standard for labeled commercial fertilizer
30 products to qualify for the nitrogen reduction incentive program and may
31 adopt and promulgate rules and regulations to carry out the Nitrogen

1 Reduction Incentive Act.

2 Sec. 6. (1) The Nitrogen Reduction Incentive Cash Fund is created
3 and shall be administered by the Department of Natural Resources for
4 purposes of the Nitrogen Reduction Incentive Act. The Nitrogen Reduction
5 Incentive Cash Fund may consist of transfers as directed by the
6 Legislature and gifts, grants, bequests, and money from any public or
7 private source.

8 (2) The Department of Natural Resources shall apply for all grants
9 from state, federal, and private sources that are applicable to the
10 purposes of the Nitrogen Reduction Incentive Act.

11 (3) Any such grant applied for by the Department of Natural
12 Resources that is awarded to the Department of Natural Resources or the
13 State of Nebraska shall be credited to the Nitrogen Reduction Incentive
14 Cash Fund.

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

18 Sec. 7. The Nitrogen Reduction Incentive Act terminates on December
19 31, 2029.

20 Sec. 8. Section 84-612, Revised Statutes Supplement, 2023, is
21 amended to read:

22 84-612 (1) There is hereby created within the state treasury a fund
23 known as the Cash Reserve Fund which shall be under the direction of the
24 State Treasurer. The fund shall only be used pursuant to this section.

25 (2) The State Treasurer shall transfer funds from the Cash Reserve
26 Fund to the General Fund upon certification by the Director of
27 Administrative Services that the current cash balance in the General Fund
28 is inadequate to meet current obligations. Such certification shall
29 include the dollar amount to be transferred. Any transfers made pursuant
30 to this subsection shall be reversed upon notification by the Director of
31 Administrative Services that sufficient funds are available.

1 (3) In addition to receiving transfers from other funds, the Cash
2 Reserve Fund shall receive federal funds received by the State of
3 Nebraska for undesignated general government purposes, federal revenue
4 sharing, or general fiscal relief of the state.

5 (4) The State Treasurer shall transfer two million dollars from the
6 Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June
7 30, 2024, on such dates and in such amounts as directed by the budget
8 administrator of the budget division of the Department of Administrative
9 Services.

10 (5) The State Treasurer shall transfer two hundred sixteen million
11 one hundred twenty thousand dollars from the Cash Reserve Fund to the
12 Nebraska Capital Construction Fund on or after July 1, 2022, but before
13 June 15, 2023, on such dates and in such amounts as directed by the
14 budget administrator of the budget division of the Department of
15 Administrative Services.

16 (6) The State Treasurer shall transfer one hundred eighty-two
17 million six hundred twenty-three thousand eight hundred twenty-five
18 dollars from the Cash Reserve Fund to the Nebraska Capital Construction
19 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
20 and in such amounts as directed by the budget administrator of the budget
21 division of the Department of Administrative Services.

22 (7) The State Treasurer shall transfer fifty-three million five
23 hundred thousand dollars from the Cash Reserve Fund to the Perkins County
24 Canal Project Fund on or before June 30, 2023, on such dates and in such
25 amounts as directed by the budget administrator of the budget division of
26 the Department of Administrative Services.

27 (8) No funds shall be transferred from the Cash Reserve Fund to
28 fulfill the obligations created under the Nebraska Property Tax Incentive
29 Act unless the balance in the Cash Reserve Fund after such transfer will
30 be at least equal to five hundred million dollars.

31 (9) The State Treasurer shall transfer thirty million dollars from

1 the Cash Reserve Fund to the Military Base Development and Support Fund
2 on or before June 30, 2023, but not before July 1, 2022, on such dates
3 and in such amounts as directed by the budget administrator of the budget
4 division of the Department of Administrative Services.

5 (10) The State Treasurer shall transfer eight million three hundred
6 thousand dollars from the Cash Reserve Fund to the Trail Development and
7 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on
8 such dates and in such amounts as directed by the budget administrator of
9 the budget division of the Department of Administrative Services.

10 (11) The State Treasurer shall transfer fifty million dollars from
11 the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after
12 July 1, 2022, but before July 15, 2023, on such dates and in such amounts
13 as directed by the budget administrator of the budget division of the
14 Department of Administrative Services.

15 (12) The State Treasurer shall transfer thirty million dollars from
16 the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on
17 or after July 1, 2022, but before July 15, 2023, on such dates and in
18 such amounts as directed by the budget administrator of the budget
19 division of the Department of Administrative Services.

20 (13) The State Treasurer shall transfer twenty million dollars from
21 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July
22 1, 2022, but before June 15, 2023, on such dates and in such amounts as
23 directed by the budget administrator of the budget division of the
24 Department of Administrative Services.

25 (14) The State Treasurer shall transfer twenty million dollars from
26 the Cash Reserve Fund to the Middle Income Workforce Housing Investment
27 Fund on July 15, 2022, or as soon thereafter as administratively
28 possible, and in such amounts as directed by the budget administrator of
29 the budget division of the Department of Administrative Services.

30 (15) The State Treasurer shall transfer eighty million dollars from
31 the Cash Reserve Fund to the Jobs and Economic Development Initiative

1 Fund on or after July 1, 2022, but before July 15, 2023, on such dates
2 and in such amounts as directed by the budget administrator of the budget
3 division of the Department of Administrative Services.

4 (16) The State Treasurer shall transfer twenty million dollars from
5 the Cash Reserve Fund to the Site and Building Development Fund on July
6 15, 2022, or as soon thereafter as administratively possible, and in such
7 amounts as directed by the budget administrator of the budget division of
8 the Department of Administrative Services.

9 (17) The State Treasurer shall transfer fifty million dollars from
10 the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund
11 on or after July 15, 2022, but before January 1, 2023, on such dates and
12 in such amounts as directed by the budget administrator of the budget
13 division of the Department of Administrative Services.

14 (18) The State Treasurer shall transfer fifteen million dollars from
15 the Cash Reserve Fund to the Site and Building Development Fund on or
16 before June 30, 2022, on such dates and in such amounts as directed by
17 the budget administrator of the budget division of the Department of
18 Administrative Services.

19 (19) The State Treasurer shall transfer fifty-five million dollars
20 from the Cash Reserve Fund to the Economic Recovery Contingency Fund on
21 or before June 30, 2022, on such dates and in such amounts as directed by
22 the budget administrator of the budget division of the Department of
23 Administrative Services.

24 (20) The State Treasurer shall transfer ten million dollars from the
25 Cash Reserve Fund to the School Safety and Security Fund as soon as
26 administratively possible after September 2, 2023, on such dates and in
27 such amounts as directed by the budget administrator of the budget
28 division of the Department of Administrative Services.

29 (21) The State Treasurer shall transfer ten million dollars from the
30 Cash Reserve Fund to the General Fund as soon as administratively
31 possible after June 7, 2023, on such dates and in such amounts as

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

3 (22) The State Treasurer shall transfer one million dollars from the
4 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as
5 administratively possible after June 7, 2023, on such dates and in such
6 amounts as directed by the budget administrator of the budget division of
7 the Department of Administrative Services.

8 (23) The State Treasurer shall transfer three million dollars from
9 the Cash Reserve Fund to the Risk Loss Trust on or before June 30, 2024,
10 on such dates and in such amounts as directed by the budget administrator
11 of the budget division of the Department of Administrative Services.

12 (24) The State Treasurer shall transfer eleven million three hundred
13 twenty thousand dollars from the Cash Reserve Fund to the Health and
14 Human Services Cash Fund on or after July 1, 2023, but on or before June
15 30, 2024, on such dates and in such amounts as directed by the budget
16 administrator of the budget division of the Department of Administrative
17 Services.

18 (25) The State Treasurer shall transfer five hundred seventy-four
19 million five hundred thousand dollars from the Cash Reserve Fund to the
20 Perkins County Canal Project Fund on or before June 30, 2024, on such
21 dates and in such amounts as directed by the budget administrator of the
22 budget division of the Department of Administrative Services.

23 (26) The State Treasurer shall transfer one million four hundred
24 thousand dollars from the Cash Reserve Fund to the State Building
25 Revolving Fund on or before July 10, 2023, on such dates and in such
26 amounts as directed by the budget administrator of the budget division of
27 the Department of Administrative Services.

28 (27) The State Treasurer shall transfer one million one hundred
29 thousand dollars from the Cash Reserve Fund to the Accounting Division
30 Revolving Fund on or before July 10, 2023, on such dates and in such
31 amounts as directed by the budget administrator of the budget division of

1 the Department of Administrative Services.

2 (28) The State Treasurer shall transfer one million one hundred
3 fifteen thousand dollars from the Cash Reserve Fund to the Public Safety
4 Cash Fund on or after July 1, 2023, but before June 30, 2024, on such
5 dates and in such amounts as directed by the budget administrator of the
6 budget division of the Department of Administrative Services.

7 (29) The State Treasurer shall transfer one hundred million dollars
8 from the Cash Reserve Fund to the Roads Operations Cash Fund before June
9 30, 2023, on such dates and in such amounts as directed by the budget
10 administrator of the budget division of the Department of Administrative
11 Services.

12 (30) The State Treasurer shall transfer eighteen million seven
13 hundred fifty thousand dollars from the Cash Reserve Fund to the State
14 Self-Insured Indemnification Fund before June 30, 2023, on such dates and
15 in such amounts as directed by the budget administrator of the budget
16 division of the Department of Administrative Services.

17 (31) The State Treasurer shall transfer five million dollars from
18 the Cash Reserve Fund to the Nebraska Public Safety Communication System
19 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on
20 such dates and in such amounts as directed by the budget administrator of
21 the budget division of the Department of Administrative Services.

22 (32) The State Treasurer shall transfer seventy million dollars from
23 the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment
24 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
25 and in such amounts as directed by the budget administrator of the budget
26 division of the Department of Administrative Services.

27 (33) The State Treasurer shall transfer two million dollars from the
28 Cash Reserve Fund to the Site and Building Development Fund on or after
29 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
30 as directed by the budget administrator of the budget division of the
31 Department of Administrative Services.

1 (34) The State Treasurer shall transfer twenty million dollars from
2 the Cash Reserve Fund to the Economic Development Cash Fund on or after
3 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
4 as directed by the budget administrator of the budget division of the
5 Department of Administrative Services.

6 (35) The State Treasurer shall transfer zero dollars from the Cash
7 Reserve Fund to the Rural Workforce Housing Investment Fund on or after
8 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
9 as directed by the budget administrator of the budget division of the
10 Department of Administrative Services.

11 (36) The State Treasurer shall transfer zero dollars from the Cash
12 Reserve Fund to the Middle Income Workforce Housing Investment Fund on or
13 after July 1, 2023, but before June 30, 2024, on such dates and in such
14 amounts as directed by the budget administrator of the budget division of
15 the Department of Administrative Services.

16 (37) The State Treasurer shall transfer two hundred forty million
17 dollars from the Cash Reserve Fund to the Economic Recovery Contingency
18 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
19 and in such amounts as directed by the budget administrator of the budget
20 division of the Department of Administrative Services.

21 (38) The State Treasurer shall transfer ten million dollars from the
22 Cash Reserve Fund to the Critical Infrastructure Facilities Cash Fund on
23 or after July 1, 2023, but before June 30, 2024, on such dates and in
24 such amounts as directed by the budget administrator of the budget
25 division of the Department of Administrative Services.

26 (39) The State Treasurer shall transfer four hundred forty million
27 dollars from the General Fund to the Cash Reserve Fund on or after July
28 1, 2023, but before June 30, 2024, on such dates and in such amounts as
29 directed by the budget administrator of the budget division of the
30 Department of Administrative Services.

31 (40) The State Treasurer shall transfer zero dollars from the Cash

1 Reserve Fund to the Site and Building Development Fund on or after July
2 1, 2024, but before June 30, 2025, on such dates and in such amounts as
3 directed by the budget administrator of the budget division of the
4 Department of Administrative Services.

5 (41) The State Treasurer shall transfer one million dollars from the
6 Cash Reserve Fund to the General Fund on or after July 1, 2024, but
7 before June 30, 2025, on such dates and in such amounts as directed by
8 the budget administrator of the budget division of the Department of
9 Administrative Services.

10 (42) The State Treasurer shall transfer twenty-five million four
11 hundred fifty-eight thousand eight hundred dollars from the Cash Reserve
12 Fund to the Nebraska Capital Construction Fund on or after July 1, 2024,
13 but before June 30, 2025, on such dates and in such amounts as directed
14 by the budget administrator of the budget division of the Department of
15 Administrative Services.

16 (43) The State Treasurer shall transfer two million five hundred
17 thousand dollars from the Cash Reserve Fund to the Materiel Division
18 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on
19 such dates and in such amounts as directed by the budget administrator of
20 the budget division of the Department of Administrative Services.

21 (44) The State Treasurer shall transfer ten million dollars from the
22 Cash Reserve Fund to the Youth Outdoor Education Innovation Fund on or
23 after July 1, 2023, but before June 30, 2024, 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.

26 (45) The State Treasurer shall transfer five million dollars from
27 the Cash Reserve Fund to the Nitrogen Reduction Incentive Cash Fund as
28 soon as administratively possible after the effective date of this act,
29 but before June 30, 2025, on such dates and in such amounts as directed
30 by the budget administrator of the budget division of the Department of
31 Administrative Services.

1 Sec. 9. Original section 84-612, Revised Statutes Supplement, 2023,
2 is repealed.