

LEGISLATURE OF NEBRASKA  
 ONE HUNDREDTH LEGISLATURE  
 FIRST SESSION  
**LEGISLATIVE BILL 322**

FINAL READING

Introduced by Speaker Flood, 19; at the request of the Governor

Read first time January 11, 2007

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state government; to amend section 47-633,  
 2 Reissue Revised Statutes of Nebraska, sections 47-632,  
 3 48-162.02, 55-131, 60-1303, 60-1513, 66-489, 66-1345.04,  
 4 69-2436, 71-3532, 71-7611, 77-2602, 81-188.02, 81-188.04,  
 5 81-188.06, 81-523, 81-5,153, 81-1108.22, and 81-1201.21,  
 6 Revised Statutes Cumulative Supplement, 2006, section  
 7 66-1345.02, Reissue Revised Statutes of Nebraska, as  
 8 amended by section 29, Legislative Bill 701, One  
 9 Hundredth Legislature, First Session, 2007, and sections  
 10 66-1345 and 66-1345.01, Revised Statutes Cumulative  
 11 Supplement, 2006, as amended by sections 27 and 28,  
 12 respectively, Legislative Bill 701, One Hundredth  
 13 Legislature, First Session, 2007; to create, rename,

1           eliminate, and change use of certain funds; to transfer  
2           funds; to change provisions relating to an excise  
3           tax on corn and grain sorghum; to change distribution  
4           of cigarette tax revenue; to change computation of  
5           depreciation charges; to state intent relating to  
6           appropriations; to eliminate obsolete language; to  
7           harmonize provisions; to provide operative dates; to  
8           repeal the original sections; to outright repeal sections  
9           84-221, 86-417.01, and 86-417.02, Revised Statutes  
10          Cumulative Supplement, 2006; and to declare an emergency.  
11   Be it enacted by the people of the State of Nebraska,

1           Section 1. The Counsel for Discipline Cash Fund is  
2 created. The fund shall be established within the Nebraska Supreme  
3 Court and administered by the State Court Administrator. The fund  
4 shall consist of a portion of the annual membership dues assessed  
5 by the Nebraska State Bar Association and remitted to the Nebraska  
6 Supreme Court for credit to the fund. The fund shall only be  
7 used to pay the costs associated with the operation of the Office  
8 of the Counsel for Discipline. Any money in the fund available  
9 for investment shall be invested by the state investment officer  
10 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
11 State Funds Investment Act.

12           Sec. 2. The Carrier Enforcement Cash Fund is created.  
13 The fund shall be established within the Nebraska State Patrol and  
14 administered by the Superintendent of Law Enforcement and Public  
15 Safety. The fund shall consist of fund transfers made each fiscal  
16 year from the Roads Operations Cash Fund as authorized by the  
17 Legislature through the budget process. The Carrier Enforcement  
18 Cash Fund shall only be used to pay the costs associated with the  
19 operation of the carrier enforcement division of the patrol, except  
20 that the Legislature may authorize fund transfers each fiscal year  
21 through the budget process from the Carrier Enforcement Cash Fund  
22 to the Nebraska Public Safety Communication System Cash Fund to  
23 pay the carrier enforcement division's share of operations costs  
24 of the Nebraska Public Safety Communication System. Any money in  
25 the Carrier Enforcement Cash Fund available for investment shall be

1 invested by the state investment officer pursuant to the Nebraska  
2 Capital Expansion Act and the Nebraska State Funds Investment Act.

3           Sec. 3. The Capitol Security Revolving Fund is created.  
4 The fund shall be established within the Nebraska State Patrol  
5 and administered by the Superintendent of Law Enforcement and  
6 Public Safety. The fund shall consist of fund transfers made each  
7 fiscal year from the State Building Revolving Fund, as authorized  
8 by the Legislature through the budget process, and any other  
9 revenue received by the state capitol security division of the  
10 patrol from separate security agreements with state agencies.  
11 The Capitol Security Revolving Fund shall only be used to pay  
12 the non-general-fund costs associated with the operation of the  
13 state capitol security division. Any money in the Capitol Security  
14 Revolving Fund available for investment shall be invested by the  
15 state investment officer pursuant to the Nebraska Capital Expansion  
16 Act and the Nebraska State Funds Investment Act.

17           Sec. 4. The Nebraska Public Safety Communication System  
18 Cash Fund is created. The fund shall be established within the  
19 Nebraska State Patrol and administered by the Superintendent of  
20 Law Enforcement and Public Safety. The fund shall consist of all  
21 revenue credited pursuant to law, including any fund transfers  
22 authorized by the Legislature. The fund shall only be used to  
23 pay the patrol's direct costs related to administering, operating,  
24 and maintaining the Nebraska Public Safety Communication System,  
25 except that any unobligated money in the fund may first be used

1 to reduce the patrol's General Fund costs to operate the Nebraska  
 2 Public Safety Communication System, and if additional unobligated  
 3 money in the fund exists, the Legislature may transfer money  
 4 from the fund to the State Fire Marshal and the Game and Parks  
 5 Commission to reduce the General Fund costs to operate the Nebraska  
 6 Public Safety Communication System. Any money in the fund available  
 7 for investment shall be invested by the state investment officer  
 8 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
 9 State Funds Investment Act.

10           Sec. 5. The Nebraska Public Safety Communication System  
 11 Revolving Fund is created. The fund shall be established within the  
 12 Department of Administrative Services and administered by the Chief  
 13 Information Officer. The fund shall consist of retainer-fee revenue  
 14 received from state agencies accessing the Nebraska Public Safety  
 15 Communication System, as authorized by the Legislature through the  
 16 budget process. The fund shall only be used to pay for centralized  
 17 direct costs of administering, operating, and maintaining the  
 18 Nebraska Public Safety Communication System, including state-owned  
 19 towers and network equipment. Any money in the fund available  
 20 for investment shall be invested by the state investment officer  
 21 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
 22 State Funds Investment Act.

23           Sec. 6. Section 47-632, Revised Statutes Cumulative  
 24 Supplement, 2006, is amended to read:

25           47-632 The Community Corrections Uniform Data Analysis

1 Cash Fund is created. The ~~executive director of fund shall be~~  
2 established for administrative purposes only within the Nebraska  
3 Commission on Law Enforcement and Criminal Justice ~~shall administer~~  
4 ~~the fund which shall consist of funds collected pursuant to section~~  
5 ~~47-633 and such other funds as the Legislature may direct, and~~  
6 shall be administered by the executive director of the Community  
7 Corrections Council. The fund shall consist of money collected  
8 pursuant to section 47-633. The fund shall only be used to support  
9 operations costs and analysis relating to the implementation and  
10 coordination of the uniform analysis of crime data pursuant to  
11 the Community Corrections Act, including associated information  
12 technology projects, as specifically approved by the executive  
13 director of the Community Corrections Council. Any money in the  
14 fund available for investment shall be invested by the state  
15 investment officer pursuant to the Nebraska Capital Expansion Act  
16 and the Nebraska State Funds Investment Act.

17           The State Treasurer shall transfer three hundred fifty  
18 thousand dollars from the Community Corrections Uniform Data  
19 Analysis Fund to the Nebraska Law Enforcement Training Center  
20 Cash Fund within five days after July 1, 2005.

21           Sec. 7. Section 47-633, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           47-633 In addition to all other court costs assessed  
24 according to law, a uniform data analysis fee of one dollar shall  
25 be taxed as costs for each case filed in each county court,

1 separate juvenile court, and district court, including appeals to  
2 such courts, and for each appeal and original action filed in the  
3 Court of Appeals and the Supreme Court. The fees shall be remitted  
4 to the State Treasurer on forms prescribed by the State Treasurer  
5 within ten days after the end of each month. The State Treasurer  
6 shall credit the fees to the Community Corrections Uniform Data  
7 Analysis Cash Fund.

8           Sec. 8. Section 48-162.02, Revised Statutes Cumulative  
9 Supplement, 2006, is amended to read:

10           48-162.02 (1) The Workers' Compensation Trust Fund is  
11 created. The fund shall be administered by the administrator of the  
12 Nebraska Workers' Compensation Court.

13           (2) The Workers' Compensation Trust Fund shall be used  
14 to make payments in accordance with sections 48-128 and 48-162.01,  
15 and to make legislative fund transfers to the Compensation Court  
16 Cash Fund for the purpose of paying salaries, other benefits, and  
17 administrative expenses of the compensation court relating to the  
18 ~~Workers' Compensation Trust Fund~~. Payments from the fund shall  
19 be made in the same manner as for claims against the state.  
20 The State Treasurer shall be the custodian of the fund and all  
21 money and securities in the fund shall be held in trust by the  
22 State Treasurer and shall not be money or property of the state.  
23 The fund shall be raised and derived as follows: Every insurance  
24 company which is transacting business in this state shall on or  
25 before March 1 of each year pay to the Director of Insurance an

1 amount equal to two percent of the workers' compensation benefits  
2 paid by it during the preceding calendar year in this state.  
3 Every risk management pool providing workers' compensation group  
4 self-insurance coverage to any of its members shall on or before  
5 March 1 of each year pay to the Director of Insurance an amount  
6 equal to two percent of the workers' compensation benefits paid by  
7 it during the preceding calendar year in this state but in no event  
8 less than twenty-five dollars.

9 (3) The computation of the amounts as provided in  
10 subsection (2) of this section shall be made on forms furnished  
11 by the Department of Insurance and shall be forwarded to the  
12 department together with a sworn statement by an appropriate fiscal  
13 officer of the company attesting the accuracy of the computation.  
14 The department shall furnish such forms to the companies and pools  
15 prior to the end of the year for which the amounts are payable  
16 together with any information deemed necessary or appropriate by  
17 the department. Upon receipt of the payment, the director shall  
18 audit and examine the computations to determine that the proper  
19 amount has been paid.

20 (4) The Director of Insurance, after notice and hearing  
21 in accordance with the Administrative Procedure Act, may rescind or  
22 refuse to reissue the certificate of authority of any company or  
23 pool which fails to remit the amount due.

24 (5) The Director of Insurance shall remit the amounts  
25 paid to the State Treasurer for credit to the Workers' Compensation



1 Trust Fund promptly upon completion of the audit and examination  
2 and in no event later than May 1 of the year in which the amounts  
3 have been received, except that (a) when there is a dispute as to  
4 the amount payable, the proceeds shall be credited to a suspense  
5 account until disposition of the controversy and (b) one percent  
6 of the amount received shall be credited to the Department of  
7 Insurance to cover the costs of administration.

8 (6) Every employer in the occupations described in  
9 section 48-106 who qualifies as a self-insurer and who is issued a  
10 permit to self-insure shall remit to the State Treasurer for credit  
11 to the Workers' Compensation Trust Fund an annual amount equal to  
12 two percent of the workers' compensation benefits paid by it during  
13 the preceding calendar year in this state but in no event less than  
14 twenty-five dollars.

15 (7) The amounts required to be paid by the insurance  
16 companies, risk management pools, and self-insurers under  
17 subsections (2) and (6) of this section shall be in addition to  
18 any other amounts, either in taxes, assessments, or otherwise, as  
19 required under any other law of this state.

20 (8) The administrator of the compensation court shall  
21 be charged with the conservation of the assets of the Workers'  
22 Compensation Trust Fund. The administrator may order payments  
23 from the fund for vocational rehabilitation services and costs  
24 pursuant to section 48-162.01 when (a) vocational rehabilitation  
25 is voluntarily offered by the employer and accepted by the

1 employee, (b) the employee is engaged in an approved vocational  
2 rehabilitation plan pursuant to section 48-162.01, and (c) the  
3 employer has agreed to pay weekly compensation benefits for  
4 temporary disability while the employee is engaged in such plan.

5 (9) The Attorney General shall represent the fund when  
6 requested by the administrator in proceedings brought by or against  
7 the fund pursuant to section 48-162.01. The Attorney General shall  
8 represent the fund in all proceedings brought by or against the  
9 fund pursuant to section 48-128. When a claim is made by or against  
10 the fund pursuant to section 48-128, the State of Nebraska shall  
11 be impleaded as a party plaintiff or defendant, as the case may  
12 require, and when so impleaded as a defendant, service shall be had  
13 upon the Attorney General.

14 (10) The Department of Administrative Services shall  
15 furnish monthly to the Nebraska Workers' Compensation Court a  
16 statement of the Workers' Compensation Trust Fund setting forth the  
17 balance of the fund as of the first day of the preceding month,  
18 the income and its sources, the payments from the fund in itemized  
19 form, and the balance of the fund on hand as of the last day of  
20 the preceding month. The State Treasurer may receive and credit to  
21 the fund any sum or sums which may at any time be contributed to  
22 the state or the fund by the United States of America or any agency  
23 thereof to which the state may be or become entitled under any act  
24 of Congress or otherwise by reason of any payment made from the  
25 fund.

1           (11) When the fund equals or exceeds two million three  
2 hundred thousand dollars, no further contributions thereto shall  
3 be required by employers, risk management pools, or insurance  
4 companies. Thereafter whenever the amount of the fund is reduced  
5 below one million two hundred thousand dollars by reason of  
6 payments ~~and transfers~~ made pursuant to this section or otherwise  
7 or whenever the administrator of the compensation court determines  
8 that payments ~~and transfers~~ likely to be made from the fund in the  
9 next succeeding year will probably cause the fund to be reduced  
10 below one million two hundred thousand dollars, the administrator  
11 shall notify all self-insurers and the Director of Insurance, who  
12 shall notify all workers' compensation insurance companies and  
13 risk management pools, that such contributions are to be resumed  
14 as of the date set in such notice and such contributions shall  
15 continue as provided in this section after the effective date of  
16 such notice. Such contributions shall continue until the fund again  
17 equals two million three hundred thousand dollars.

18           (12) Any expenses necessarily incurred by the Workers'  
19 Compensation Trust Fund or by the Attorney General in connection  
20 with a proceeding brought by or against the fund may be paid out of  
21 the fund. Such expenses may be taxed as costs and recovered by the  
22 fund in any case in which the fund prevails.

23           Sec. 9. Section 55-131, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25           55-131 The Military Department Cash Fund is created. The

1 fund shall be administered by the Adjutant General. The fund shall  
2 consist of all nonfederal revenue received by the National Guard  
3 pursuant to this section. The Adjutant General is hereby authorized  
4 to accept by devise, gift, or otherwise and hold, as trustee, for  
5 the benefit and use of the National Guard or any part thereof any  
6 property, real or personal; to invest and reinvest the property;  
7 to collect, receive, and recover the rents, incomes, and issues  
8 from the property; and to expend them as provided by the terms  
9 of the devise or gift, or if not so provided, to expend them  
10 for the benefit and use of the National Guard as he or she in  
11 his or her discretion shall determine, subject to the approval  
12 of the Governor. Except as otherwise provided by law, all other  
13 money received by the National Guard and derived from any other  
14 source shall be remitted to the State Treasurer for credit to the  
15 Military Department Cash Fund. Any money in the fund available  
16 for investment shall be invested by the state investment officer  
17 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
18 State Funds Investment Act.

19 Any money in the Military Department Cash Fund  
20 administered on behalf of the Nebraska Emergency Management Agency  
21 shall be transferred to the Nebraska Emergency Management Agency  
22 Cash Fund as soon as possible after July 1, 2006.

23 Sec. 10. Section 60-1303, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25 60-1303 (1) The Nebraska State Patrol is hereby

1 designated as the agency to operate the weighing stations and  
2 portable scales and to perform carrier enforcement duties.

3 (2) (a) On and after July 20, 2002, officers of the  
4 Nebraska State Patrol appointed to operate the weighing stations  
5 and portable scales and to perform carrier enforcement duties shall  
6 be known as the carrier enforcement division. The Superintendent  
7 of Law Enforcement and Public Safety shall appoint officers of  
8 the Nebraska State Patrol to the carrier enforcement division,  
9 including officers as prescribed in sections 81-2001 to 81-2009,  
10 and carrier enforcement officers as prescribed in sections 60-1301  
11 to 60-1309.

12 (b) The employees within the Nebraska State Patrol  
13 designated to operate the weighing stations and portable scales  
14 and to perform carrier enforcement duties before July 20, 2002, and  
15 not authorized to act under subdivisions (1) through (8) of section  
16 81-2005 shall be known as carrier enforcement officers.

17 (3) All carrier enforcement officers shall be bonded or  
18 insured as required by section 11-201. Premiums shall be paid  
19 from the money appropriated for the construction, maintenance, and  
20 operation of the state weighing stations.

21 (4) All employees of the Nebraska State Patrol who  
22 are carrier enforcement officers and who are not officers of  
23 the Nebraska State Patrol with the powers and duties prescribed  
24 in sections 81-2001 to 81-2009 shall be members of the State  
25 Employees Retirement System of the State of Nebraska. Officers of

1 the Nebraska State Patrol who are carrier enforcement officers on  
2 July 20, 2002, who subsequently become officers of the Nebraska  
3 State Patrol with the powers and duties prescribed in sections  
4 81-2001 to 81-2009, and who elect to remain members of the State  
5 Employees Retirement System of the State of Nebraska shall continue  
6 to participate in the State Employees Retirement System of the  
7 State of Nebraska. Carrier enforcement officers shall not receive  
8 any expense allowance as provided for by section 81-2002.

9 (5) The Nebraska State Patrol and the Department of  
10 Roads shall have the duty, power, and authority to contract with  
11 one another for the staffing and operation of weighing stations  
12 and portable scales and the performance of carrier enforcement  
13 duties to ensure that there is adequate personnel in the carrier  
14 enforcement division to carry out the duties specified in sections  
15 60-1301 to 60-1309. Through June 30, 2005, the number of full-time  
16 equivalent positions funded pursuant to such contract shall be  
17 limited to eighty-eight officers, including carrier enforcement  
18 officers as prescribed in sections 60-1301 to 60-1309 and officers  
19 of the Nebraska State Patrol as prescribed in sections 81-2001 to  
20 81-2009 assigned to the carrier enforcement division. Pursuant to  
21 such contract, command of the personnel involved in such carrier  
22 enforcement operations shall be with the Nebraska State Patrol.  
23 The Department of Roads may use any funds at its disposal for  
24 its financing of such carrier enforcement activity in accordance  
25 with such contract as long as such funds are used only to finance

1 those activities directly involved with the duties specified in  
2 sections 60-1301 to 60-1309. The Nebraska State Patrol shall  
3 account for all appropriations and expenditures related to the  
4 staffing and operation of weighing stations and portable scales  
5 and the performance of carrier enforcement duties in a budget  
6 program that is distinct and separate from budget programs used for  
7 non-carrier-enforcement-division-related activities.

8 (6) The Nebraska State Patrol may adopt, promulgate, and  
9 enforce rules and regulations consistent with statutory provisions  
10 related to carrier enforcement necessary for (a) the collection of  
11 fees, as outlined in sections 60-3,177 and 60-3,179 to 60-3,182  
12 and the International Fuel Tax Agreement Act, (b) the inspection  
13 of licenses and permits required under the motor fuel laws, and  
14 (c) weighing and inspection of buses, motor trucks, truck-tractors,  
15 semitrailers, trailers, and towed vehicles.

16 ~~(7) There is hereby created the Carrier Enforcement Cash~~  
17 ~~Fund which shall be administered by the Nebraska State Patrol and~~  
18 ~~used for the operation of the carrier enforcement division. Any~~  
19 ~~money in the Carrier Enforcement Cash Fund available for investment~~  
20 ~~shall be invested by the state investment officer pursuant to~~  
21 ~~the Nebraska Capital Expansion Act and the Nebraska State Funds~~  
22 ~~Investment Act.~~

23 Sec. 11. Section 60-1513, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25 60-1513 The Department of Motor Vehicles Cash Fund is

1 hereby created. The fund shall be administered by the Director  
2 of Motor Vehicles. The fund shall be used by the Department of  
3 Motor Vehicles to carry out its duties as deemed necessary by the  
4 Director of Motor Vehicles, except that transfers from the fund to  
5 the General Fund may be made at the direction of the Legislature.  
6 Any money in the Department of Motor Vehicles Cash Fund available  
7 for investment shall be invested by the state investment officer  
8 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
9 State Funds Investment Act.

10           The State Treasurer shall transfer ~~eighty-two thousand~~  
11 ~~five hundred ninety-five dollars from the Department of Motor~~  
12 ~~Vehicles Cash Fund to the Administrative License Revocation Cash~~  
13 ~~Fund as soon as possible on or after July 1, 2006.~~

14           Sec. 12. Section 66-489, Revised Statutes Cumulative  
15 Supplement, 2006, is amended to read:

16           66-489 (1) At the time of filing the return required by  
17 section 66-488, such producer, supplier, distributor, wholesaler,  
18 or importer shall, in addition to the tax imposed pursuant to  
19 sections 66-4,140, 66-4,145, and 66-4,146 and in addition to the  
20 other taxes provided for by law, pay a tax of ten and one-half  
21 cents per gallon upon all motor fuels as shown by such return,  
22 except that there shall be no tax on the motor fuels reported if  
23 (a) the required taxes on the motor fuels have been paid, (b) the  
24 motor fuels have been sold to a licensed exporter exclusively for  
25 resale or use in another state, (c) the motor fuels have been sold



1 from a Nebraska barge line terminal, pipeline terminal, refinery,  
2 or ethanol or biodiesel facility, including motor fuels stored  
3 offsite in bulk, by a licensed producer or supplier to a licensed  
4 distributor, (d) the motor fuels have been sold by a licensed  
5 distributor or licensed importer to a licensed distributor or to a  
6 licensed wholesaler and the seller acquired ownership of the motor  
7 fuels directly from a licensed producer or supplier at or from  
8 a refinery, barge, barge line, pipeline terminal, or ethanol or  
9 biodiesel facility, including motor fuels stored offsite in bulk,  
10 in this state or was the first importer of such fuel into this  
11 state, or (e) as otherwise provided in this section. Such producer,  
12 supplier, distributor, wholesaler, or importer shall remit such tax  
13 to the department.

14 (2) As part of filing the return required by section  
15 66-488, each producer of ethanol shall, in addition to other  
16 taxes imposed by the motor fuel laws, pay an excise tax of one  
17 and one-quarter cents per gallon through December 31, 2004, and  
18 commencing January 1, 2010, and two and one-half cents per gallon  
19 commencing January 1, 2005, through December 31, 2009, on natural  
20 gasoline purchased for use as a denaturant by the producer at  
21 an ethanol facility. All taxes, interest, and penalties collected  
22 under this subsection shall be remitted to the State Treasurer  
23 for credit to the Agricultural Alcohol Fuel Tax Fund, except that  
24 commencing January 1, 2005, through December 31, 2009, one and  
25 one-quarter cents per gallon of such excise tax shall be credited

1 to the Ethanol Production Incentive Cash Fund. For fiscal years  
2 2007-08 through 2011-12, if the total receipts from the excise  
3 tax authorized in this subsection and designated for deposit in  
4 the Agricultural Alcohol Fuel Tax Fund exceed five hundred fifty  
5 thousand dollars, the State Treasurer shall deposit amounts in  
6 excess of five hundred fifty thousand dollars in the Ethanol  
7 Production Incentive Cash Fund.

8 (3)(a) Motor fuels, methanol, and all blending agents  
9 or fuel expanders shall be exempt from the taxes imposed by this  
10 section and sections 66-4,105, 66-4,140, 66-4,145, and 66-4,146,  
11 when the fuels are used for buses equipped to carry more than  
12 seven persons for hire and engaged entirely in the transportation  
13 of passengers for hire within municipalities or within a radius of  
14 six miles thereof.

15 (b) The owner or agent of any bus equipped to carry  
16 more than seven persons for hire and engaged entirely in the  
17 transportation of passengers for hire within municipalities, or  
18 within a radius of six miles thereof, in lieu of the excise tax  
19 provided for in this section, shall pay an equalization fee of a  
20 sum equal to twice the amount of the registration fee applicable to  
21 such vehicle under the laws of this state. Such equalization fee  
22 shall be paid in the same manner as the registration fee and be  
23 disbursed and allocated as registration fees.

24 (c) Nothing in this section shall be construed as  
25 permitting motor fuels to be sold tax exempt. The department

1 shall refund tax paid on motor fuels used in buses deemed exempt by  
2 this section.

3 (4) Natural gasoline purchased for use as a denaturant  
4 by a producer at an ethanol facility as defined in section 66-1333  
5 shall be exempt from the motor fuels tax imposed by subsection (1)  
6 of this section as well as the tax imposed pursuant to sections  
7 66-4,140, 66-4,145, and 66-4,146.

8 (5) Unless otherwise provided by an agreement entered  
9 into between the State of Nebraska and the governing body of any  
10 federally recognized Indian tribe within the State of Nebraska,  
11 motor fuels purchased on a Nebraska Indian reservation where the  
12 purchaser is a Native American who resides on the reservation shall  
13 be exempt from the motor fuels tax imposed by this section as well  
14 as the tax imposed pursuant to sections 66-4,140, 66-4,145, and  
15 66-4,146.

16 (6) Motor fuels purchased for use by the United States  
17 Government or its agencies shall be exempt from the motor fuels  
18 tax imposed by this section as well as the tax imposed pursuant to  
19 sections 66-4,140, 66-4,145, and 66-4,146.

20 (7) In the case of diesel fuel, there shall be no tax on  
21 the motor fuels reported if (a) the diesel fuel has been indelibly  
22 dyed and chemically marked in accordance with regulations issued by  
23 the Secretary of the Treasury of the United States under 26 U.S.C.  
24 4082 or (b) the diesel fuel contains a concentration of sulphur  
25 in excess of five-hundredths percent by weight or fails to meet

1 a cetane index minimum of forty and has been indelibly dyed in  
2 accordance with regulations promulgated by the Administrator of the  
3 Environmental Protection Agency pursuant to 42 U.S.C. 7545.

4 Sec. 13. Section 66-1345, Revised Statutes Cumulative  
5 Supplement, 2006, as amended by section 27, Legislative Bill 701,  
6 One Hundredth Legislature, First Session, 2007, is amended to read:

7 66-1345 (1) There is hereby created the Ethanol  
8 Production Incentive Cash Fund which shall be used by the board  
9 to pay the credits created in section 66-1344 to the extent  
10 provided in this section. Any money in the fund available for  
11 investment shall be invested by the state investment officer  
12 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
13 State Funds Investment Act. The State Treasurer shall transfer to  
14 the Ethanol Production Incentive Cash Fund such money as shall be  
15 (a) appropriated to the Ethanol Production Incentive Cash Fund by  
16 the Legislature, (b) given as gifts, bequests, grants, or other  
17 contributions to the Ethanol Production Incentive Cash Fund from  
18 public or private sources, (c) made available due to failure to  
19 fulfill conditional requirements pursuant to investment agreements  
20 entered into prior to April 30, 1992, (d) received as return on  
21 investment of the Ethanol Authority and Development Cash Fund, (e)  
22 credited to the Ethanol Production Incentive Cash Fund from the  
23 excise taxes imposed by section 66-1345.01 through December 31,  
24 2012, and (f) credited to the Ethanol Production Incentive Cash  
25 Fund pursuant to sections 66-489, 66-726, 66-1345.04, and 66-1519.

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

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

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

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

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

18           For 1993 through 1997, if the amount generated pursuant  
19 to subdivisions (a), (b), and (c) of this subsection and the  
20 amount transferred pursuant to subsection (1) of this section are  
21 not sufficient to fund the credits provided in section 66-1344,  
22 then the credits shall be funded through the Ethanol Production  
23 Incentive Cash Fund but shall not be funded through either the  
24 Highway Cash Fund or the Highway Trust Fund. For 1998 and each year  
25 thereafter, the credits provided in such section shall be funded

1 through the Ethanol Production Incentive Cash Fund but shall not be  
2 funded through either the Highway Cash Fund or the Highway Trust  
3 Fund.

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

15           (3) The State Treasurer shall transfer from the Ethanol  
16 Production Incentive Cash Fund to the Management Services Expense  
17 Revolving Fund the amount reported under subsection (4) of section  
18 66-1345.02 for each calendar month of the fiscal year as provided  
19 in such subsection.

20           (4) On December 31, 2012, the State Treasurer shall  
21 transfer the unexpended and unobligated funds, including all  
22 subsequent investment interest, from the Ethanol Production  
23 Incentive Cash Fund to the Water Resources Cash Fund.

24           (5) Whenever the unobligated balance in the Ethanol  
25 Production Incentive Cash Fund exceeds twenty million dollars, the

1 Department of Revenue shall notify the Department of Agriculture at  
2 which time the Department of Agriculture shall suspend collection  
3 of the excise tax levied pursuant to section 66-1345.01. If, after  
4 suspension of the collection of such excise tax, the balance of  
5 the fund falls below ten million dollars, the Department of Revenue  
6 shall notify the Department of Agriculture which shall resume  
7 collection of the excise tax.

8 (6) On or before December 1, 2003, and each December  
9 1 thereafter, the Department of Revenue and the Nebraska Ethanol  
10 Board shall jointly submit a report to the Legislature which shall  
11 project the anticipated revenue and expenditures from the Ethanol  
12 Production Incentive Cash Fund through the termination of the  
13 ethanol production incentive programs pursuant to section 66-1344.  
14 The initial report shall include a projection of the amount  
15 of ethanol production for which the Department of Revenue has  
16 entered agreements to provide ethanol production credits pursuant  
17 to section 66-1344.01 and any additional ethanol production which  
18 the Department of Revenue and the Nebraska Ethanol Board reasonably  
19 anticipate may qualify for credits pursuant to section 66-1344.

20 Sec. 14. Section 66-1345.01, Revised Statutes Cumulative  
21 Supplement, 2006, as amended by section 28, Legislative Bill 701,  
22 One Hundredth Legislature, First Session, 2007, is amended to read:

23 66-1345.01 An excise tax is levied upon all corn and  
24 grain sorghum sold through commercial channels in Nebraska or  
25 delivered in Nebraska. For any sale or delivery of corn or grain

1 sorghum occurring on or after July 1, 1995, and before January  
2 1, 2000, the tax is three-fourths cent per bushel for corn and  
3 three-fourths cent per hundredweight for grain sorghum. For any  
4 sale or delivery of corn or grain sorghum occurring on or after  
5 January 1, 2000, and before January 1, 2001, the tax is one-half  
6 cent per bushel for corn and one-half cent per hundredweight for  
7 grain sorghum. For any sale or delivery of corn or grain sorghum  
8 occurring on or after October 1, 2001, and before October 1, 2004,  
9 the tax is one-half cent per bushel for corn and one-half cent per  
10 hundredweight for grain sorghum. For any sale or delivery of corn  
11 or grain sorghum occurring on or after October 1, 2004, and before  
12 October 1, 2005, the tax is three-fourths cent per bushel for corn  
13 and three-fourths cent per hundredweight for grain sorghum. For any  
14 sale or delivery of corn or grain sorghum occurring on or after  
15 October 1, 2005, and before October 1, ~~2010~~, 2012, the tax is  
16 seven-eighths cent per bushel for corn and seven-eighths cent per  
17 hundredweight for grain sorghum. For any sale or delivery of corn  
18 or grain sorghum occurring on or after October 1, 2012, and before  
19 October 1, 2019, the tax is three-fifths cent per bushel for corn  
20 and three-fifths cent per hundredweight for grain sorghum. The tax  
21 shall be in addition to any fee imposed pursuant to sections 2-3623  
22 and 2-4012.

23           The excise tax shall be imposed at the time of sale or  
24 delivery and shall be collected by the first purchaser. The tax  
25 shall be collected, administered, and enforced in conjunction with



1 the fees imposed pursuant to sections 2-3623 and 2-4012. The tax  
2 shall be collected, administered, and enforced by the Department of  
3 Agriculture. No corn or grain sorghum shall be subject to the tax  
4 imposed by this section more than once.

5           In the case of a pledge or mortgage of corn or grain  
6 sorghum as security for a loan under the federal price support  
7 program, the excise tax shall be deducted from the proceeds of such  
8 loan at the time the loan is made. If, within the life of the loan  
9 plus thirty days after the collection of the excise tax for corn  
10 or grain sorghum that is mortgaged as security for a loan under  
11 the federal price support program, the grower of the corn or grain  
12 sorghum so mortgaged decides to purchase the corn or grain sorghum  
13 and use it as feed, the grower shall be entitled to a refund of  
14 the excise tax previously paid. The refund shall be payable by the  
15 department upon the grower's written application for a refund. The  
16 application shall have attached proof of the tax deducted.

17           The excise tax shall be deducted whether the corn or  
18 grain sorghum is stored in this or any other state. The excise  
19 tax shall not apply to the sale of corn or grain sorghum to the  
20 federal government for ultimate use or consumption by the people  
21 of the United States when the State of Nebraska is prohibited from  
22 imposing such tax by the Constitution of the United States and laws  
23 enacted pursuant thereto.

24           Sec. 15. Section 66-1345.02, Reissue Revised Statutes of  
25 Nebraska, as amended by section 29, Legislative Bill 701, One

1 Hundredth Legislature, First Session, 2007, is amended to read:

2           66-1345.02 (1) The first purchaser, at the time of sale  
3 or delivery, shall retain the excise tax as provided in section  
4 66-1345.01 and shall maintain the necessary records of the excise  
5 tax for each sale or delivery of corn or grain sorghum. Records  
6 maintained by the first purchaser shall provide (a) the name and  
7 address of the seller or deliverer, (b) the date of the sale or  
8 delivery, (c) the number of bushels of corn or hundredweight of  
9 grain sorghum sold or delivered, and (d) the amount of excise  
10 tax retained on each sale or delivery. The records shall be open  
11 for inspection and audit by authorized representatives of the  
12 Department of Agriculture during normal business hours observed by  
13 the first purchaser.

14           (2) The first purchaser shall render and have on file  
15 with the department by the last day of each January, April, July,  
16 and October on forms prescribed by the department a statement of  
17 the number of bushels of corn and hundredweight of grain sorghum  
18 sold or delivered in Nebraska. At the time the statement is filed,  
19 the first purchaser shall pay and remit to the department the  
20 excise tax.

21           (3) The department shall remit the excise tax collected  
22 to the State Treasurer for credit to the Ethanol Production  
23 Incentive Cash Fund within thirty days after the end of each  
24 quarter through December 31, ~~2010- 2012.~~ Beginning January 1, 2013,  
25 the department shall remit the excise tax collected to the State

1 Treasurer for credit to the Water Resources Cash Fund within thirty  
2 days after the end of each quarter.

3 (4) The department shall calculate its costs in  
4 collecting and enforcing the excise tax imposed by section  
5 66-1345.01 and shall report such costs to the budget division of  
6 the Department of Administrative Services within thirty days after  
7 the end of the fiscal year. Sufficient funds to cover such costs  
8 shall be transferred from the Ethanol Production Incentive Cash  
9 Fund to the Management Services Expense Revolving Fund at the  
10 end of each calendar month, with such transfers ending December  
11 31, ~~2010- 2012.~~ Beginning January 1, 2013, the Department of  
12 Agriculture shall calculate its costs in collecting and enforcing  
13 the excise tax imposed by section 66-1345.01 and shall report such  
14 costs to the budget division of the Department of Administrative  
15 Services within thirty days after the end of the fiscal year.  
16 Sufficient funds to cover such costs shall be transferred from  
17 the Water Resources Cash Fund to the Management Services Expense  
18 Revolving Fund at the end of each calendar month. Funds shall be  
19 transferred upon the receipt of a report of costs incurred by the  
20 Department of Agriculture for the previous calendar month by the  
21 budget division of the Department of Administrative Services.

22 Sec. 16. Section 66-1345.04, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24 66-1345.04 (1) The State Treasurer shall transfer from  
25 the General Fund to the Ethanol Production Incentive Cash Fund,

1 on or before the end of each of fiscal years 1995-96 and 1996-97,  
2 \$8,000,000 per fiscal year.

3 (2) It is the intent of the Legislature that the  
4 following General Fund amounts be appropriated to the Ethanol  
5 Production Incentive Cash Fund in each of the following years:

6 (a) For each of fiscal years 1997-98 and 1998-99,  
7 \$7,000,000 per fiscal year;

8 (b) For fiscal year 1999-2000, \$6,000,000;

9 (c) For fiscal year 2000-01, \$5,000,000;

10 (d) For fiscal year 2001-02 and for each of fiscal years  
11 2003-04 through 2006-07, \$1,500,000;

12 (e) For each of fiscal years 2005-06 and 2006-07,  
13 \$2,500,000 in addition to the amount in subdivision (2)(d) of  
14 this section;

15 (f) For fiscal year 2007-08, \$5,500,000;

16 (g) For each of fiscal years 2008-09 through 2011-12,  
17 \$2,500,000; ~~and~~

18 (h) For each of fiscal years 2005-06 and 2006-07,  
19 \$5,000,000 in addition to the other amounts in this section;  
20 and -

21 (i) For fiscal year 2007-08, \$15,500,000 in addition to  
22 the other amounts in this section.

23 Sec. 17. Section 69-2436, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25 69-2436 (1) A permit to carry a concealed handgun is

1 valid throughout the state for a period of five years after the  
2 date of issuance. The fee for issuing a permit is one hundred  
3 dollars.

4 (2) The Nebraska State Patrol shall renew a person's  
5 permit to carry a concealed handgun for a renewal period of five  
6 years, subject to continuing compliance with the requirements of  
7 section 69-2433. The renewal fee is fifty dollars, and renewal may  
8 be applied for up to four months before expiration of a permit to  
9 carry a concealed handgun.

10 (3) The applicant shall submit the fee with the  
11 application to the Nebraska State Patrol. The fee shall be remitted  
12 to the State Treasurer for credit to the ~~Public Safety Cash Fund.~~  
13 Nebraska State Patrol Cash Fund.

14 (4) On or before June 30, 2007, the Nebraska State  
15 Patrol shall journal entry, as necessary, all current fiscal year  
16 expenses and revenue, including investment income, from the Public  
17 Safety Cash Fund under the Concealed Handgun Permit Act and recode  
18 them against the Nebraska State Patrol Cash Fund and its program  
19 appropriation.

20 Sec. 18. Section 71-3532, Revised Statutes Cumulative  
21 Supplement, 2006, is amended to read:

22 71-3532 The Nebraska Emergency Management Agency Cash  
23 Fund is created. The fund shall be administered by the director of  
24 the Nebraska Emergency Management Agency. The fund shall consist  
25 of all non-federal-fund revenue received by the Nebraska Emergency

1 Management Agency. The fund shall only be used to pay for eligible  
2 costs of the Nebraska Emergency Management Agency. Any money in  
3 the fund available for investment shall be invested by the state  
4 investment officer pursuant to the Nebraska Capital Expansion Act  
5 and the Nebraska State Funds Investment Act.

6           Sec. 19. Section 71-7611, Revised Statutes Cumulative  
7 Supplement, 2006, is amended to read:

8           71-7611 (1) The Nebraska Health Care Cash Fund is  
9 created. The State Treasurer shall transfer ~~fifty-two~~ fifty-four  
10 million dollars annually no later than July 15 from the Nebraska  
11 Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco  
12 Settlement Trust Fund to the Nebraska Health Care Cash Fund.  
13 The state investment officer upon consultation with the Nebraska  
14 Investment Council shall advise the State Treasurer on the amounts  
15 to be transferred from the Nebraska Medicaid Intergovernmental  
16 Trust Fund and from the Nebraska Tobacco Settlement Trust  
17 Fund under this section in order to sustain such transfers in  
18 perpetuity. The state investment officer shall report to the  
19 Legislature on or before October 1 of every even-numbered year on  
20 the sustainability of such transfers.

21           (2) Any money in the Nebraska Health Care Cash Fund  
22 available for investment shall be invested by the state investment  
23 officer pursuant to the Nebraska Capital Expansion Act and the  
24 Nebraska State Funds Investment Act.

25           ~~(3) The State Treasurer shall transfer two million~~

1 dollars from the Nebraska Health Care Cash Fund to the University  
2 of Nebraska Medical Center Designated Cash Fund within fifteen days  
3 after July 1, 2005.

4 ~~(4) The State Treasurer shall transfer two million~~  
5 dollars from the Nebraska Health Care Cash Fund to the University  
6 of Nebraska Medical Center Designated Cash Fund within fifteen days  
7 after July 1, 2006.

8 ~~(5) The State Treasurer shall transfer one million nine~~  
9 hundred thirty-nine thousand eight hundred sixty-three dollars  
10 from the Nebraska Health Care Cash Fund to the Nebraska Capital  
11 Construction Fund within five days after July 1, 2005.

12 ~~(6) The State Treasurer shall transfer seven hundred~~  
13 thousand dollars from the Nebraska Health Care Cash Fund to the  
14 Nebraska Capital Construction Fund within five days after July 1,  
15 2005.

16 ~~(7)~~ (3) The University of Nebraska and postsecondary  
17 educational institutions having colleges of medicine in Nebraska  
18 and their affiliated research hospitals in Nebraska, as a condition  
19 of receiving any funds appropriated or transferred from the  
20 Nebraska Health Care Cash Fund, shall not discriminate against  
21 any person on the basis of sexual orientation.

22 Sec. 20. Section 77-2602, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24 77-2602 (1) Every person engaged in distributing or  
25 selling cigarettes at wholesale in this state shall pay to the

1 Tax Commissioner of this state a special privilege tax. This shall  
2 be in addition to all other taxes. It shall be paid prior to  
3 or at the time of the sale, gift, or delivery to the retail  
4 dealer in the several amounts as follows: On each package of  
5 cigarettes containing not more than twenty cigarettes, sixty-four  
6 cents per package; and on packages containing more than twenty  
7 cigarettes, the same tax as provided on packages containing not  
8 more than twenty cigarettes for the first twenty cigarettes in each  
9 package and a tax of one-twentieth of the tax on the first twenty  
10 cigarettes on each cigarette in excess of twenty cigarettes in each  
11 package.

12 (2) ~~Commencing July 1, 1994, and continuing until October~~  
13 ~~1, 2004, the State Treasurer shall place the equivalent of~~  
14 ~~twenty-one cents of such tax in the General Fund. Commencing~~  
15 Beginning October 1, 2004, the State Treasurer shall place  
16 the equivalent of forty-nine cents of such tax in the General  
17 Fund. The State Treasurer shall reduce the amount placed in the  
18 General Fund under this subsection by the amount prescribed in  
19 subdivision (3)(d) of this section. For purposes of this section,  
20 the equivalent of a specified number of cents of the tax shall mean  
21 that portion of the proceeds of the tax equal to the specified  
22 number divided by the tax rate per package of cigarettes containing  
23 not more than twenty cigarettes.

24 (3) The State Treasurer shall distribute the remaining  
25 proceeds of such tax in the following order:



1           (a) First, beginning July 1, 1980, the State Treasurer  
2 shall place the equivalent of one cent of such tax in the  
3 Nebraska Outdoor Recreation Development Cash Fund. For fiscal year  
4 distributions occurring after FY1998-99, the distribution under  
5 this subdivision shall not be less than the amount distributed  
6 under this subdivision for FY1997-98. Any money needed to increase  
7 the amount distributed under this subdivision to the FY1997-98  
8 amount shall reduce the distribution to the General Fund;

9           (b) Second, beginning July 1, 1993, the State Treasurer  
10 shall place the equivalent of three cents of such tax in the  
11 Department of Health and Human Services Finance and Support Cash  
12 Fund to carry out sections 81-637 to 81-640. For fiscal year  
13 distributions occurring after FY1998-99, the distribution under  
14 this subdivision shall not be less than the amount distributed  
15 under this subdivision for FY1997-98. Any money needed to increase  
16 the amount distributed under this subdivision to the FY1997-98  
17 amount shall reduce the distribution to the General Fund;

18           (c) ~~Third, beginning July 1, 2001, and continuing until~~  
19 ~~October 1, 2002, the State Treasurer shall place the equivalent of~~  
20 ~~five cents of such tax in the Building Renewal Allocation Fund.~~  
21 ~~Beginning~~ October 1, 2002, and continuing until all the purposes of  
22 the Deferred Building Renewal Act have been fulfilled, the State  
23 Treasurer shall place the equivalent of seven cents of such tax  
24 in the Building Renewal Allocation Fund. ~~The Legislature shall~~  
25 ~~appropriate each fiscal year all sums inuring to the fund, plus~~

1 ~~interest earnings, for the Task Force for Building Renewal to be~~  
2 ~~used to carry out its duties and to fulfill the purposes of the~~  
3 ~~Deferred Building Renewal Act. Unexpended balances existing at the~~  
4 ~~end of each fiscal year shall be, and are hereby, reappropriated.~~

5 The distribution under this subdivision shall not be less than the  
6 amount distributed under this subdivision for FY1997-98. Any money  
7 needed to increase the amount distributed under this subdivision to  
8 the FY1997-98 amount shall reduce the distribution to the General  
9 Fund;

10 (d) Fourth, until July 1, 2009, the State Treasurer  
11 shall place in the Municipal Infrastructure Redevelopment Fund  
12 the sum of five hundred twenty thousand dollars each fiscal year  
13 to carry out the Municipal Infrastructure Redevelopment Fund Act.  
14 The Legislature shall appropriate the sum of five hundred twenty  
15 thousand dollars each year for fiscal year 2003-04 through fiscal  
16 year 2008-09;

17 (e) Fifth, beginning July 1, 2001, and continuing until  
18 June 30, 2008, the State Treasurer shall place the equivalent of  
19 two cents of such tax in the Information Technology Infrastructure  
20 Fund. The distribution under this subdivision shall not be less  
21 than two million fifty thousand dollars. Any money needed to  
22 increase the amount distributed under this subdivision to two  
23 million fifty thousand dollars shall reduce the distribution to the  
24 General Fund;

25 (f) Sixth, beginning July 1, 2001, and continuing until

1 June 30, 2016, the State Treasurer shall place one million dollars  
2 each fiscal year in the City of the Primary Class Development Fund.  
3 If necessary, the State Treasurer shall reduce the distribution of  
4 tax proceeds to the General Fund pursuant to subsection (2) of this  
5 section by such amount required to fulfill the one million dollars  
6 to be distributed pursuant to this subdivision;

7 (g) Seventh, beginning July 1, 2001, and continuing  
8 until June 30, 2016, the State Treasurer shall place one million  
9 five hundred thousand dollars each fiscal year in the City of  
10 the Metropolitan Class Development Fund. If necessary, the State  
11 Treasurer shall reduce the distribution of tax proceeds to the  
12 General Fund pursuant to subsection (2) of this section by such  
13 amount required to fulfill the one million five hundred thousand  
14 dollars to be distributed pursuant to this subdivision; and

15 (h) Eighth, beginning ~~October 1, 2002, and continuing~~  
16 ~~until October 1, 2004, the State Treasurer shall place the~~  
17 ~~equivalent of twenty-eight cents of such tax in the Cash Reserve~~  
18 ~~Fund. July 1, 2008, and continuing until June 30, 2009, the State~~  
19 Treasurer shall place the equivalent of two million fifty thousand  
20 dollars of such tax in the Nebraska Public Safety Communication  
21 System Cash Fund. Beginning July 1, 2009, and continuing until June  
22 30, 2016, the State Treasurer shall place the equivalent of two  
23 million five hundred seventy thousand dollars of such tax in the  
24 Nebraska Public Safety Communication System Cash Fund. Beginning  
25 July 1, 2016, and every fiscal year thereafter, the State Treasurer

1 shall place the equivalent of five million seventy thousand dollars  
2 of such tax in the Nebraska Public Safety Communication System  
3 Cash Fund. If necessary, the State Treasurer shall reduce the  
4 distribution of tax proceeds to the General Fund pursuant to  
5 subsection (2) of this section by such amount required to fulfill  
6 the distribution pursuant to this subdivision.

7           (4) If, after distributing the proceeds of such tax  
8 pursuant to subsections (2) and (3) of this section, any proceeds  
9 of such tax remain, the State Treasurer shall place such remainder  
10 in the Nebraska Capital Construction Fund.

11           (5) The Legislature hereby finds and determines that the  
12 projects funded from the Municipal Infrastructure Redevelopment  
13 Fund and the Building Renewal Allocation Fund are of critical  
14 importance to the State of Nebraska. It is the intent of the  
15 Legislature that the allocations and appropriations made by the  
16 Legislature to such funds or, in the case of allocations for  
17 the Municipal Infrastructure Redevelopment Fund, to the particular  
18 municipality's account not be reduced until all contracts and  
19 securities relating to the construction and financing of the  
20 projects or portions of the projects funded from such funds or  
21 accounts of such funds are completed or paid or, in the case  
22 of the Municipal Infrastructure Redevelopment Fund, the earlier  
23 of such date or July 1, 2009, and that until such time any  
24 reductions in the cigarette tax rate made by the Legislature  
25 shall be simultaneously accompanied by equivalent reductions in

1 the amount dedicated to the General Fund from cigarette tax  
2 revenue. Any provision made by the Legislature for distribution  
3 of the proceeds of the cigarette tax for projects or programs  
4 other than those to (a) the General Fund, (b) the Nebraska  
5 Outdoor Recreation Development Cash Fund, (c) the Department  
6 of Health and Human Services Finance and Support Cash Fund,  
7 (d) the Municipal Infrastructure Redevelopment Fund, (e) the  
8 Building Renewal Allocation Fund, (f) the Information Technology  
9 Infrastructure Fund, (g) the City of the Primary Class Development  
10 Fund, (h) the City of the Metropolitan Class Development Fund,  
11 and (i) the ~~Cash Reserve Fund~~ Nebraska Public Safety Communication  
12 System Cash Fund shall not be made a higher priority than or an  
13 equal priority to any of the programs or projects specified in  
14 subdivisions (a) through (i) of this subsection.

15           Sec. 21. Section 81-188.02, Revised Statutes Cumulative  
16 Supplement, 2006, is amended to read:

17           81-188.02 (1) For purposes of this section, capital  
18 improvement project means (a) construction of a new facility,  
19 structure, or building, (b) construction of additions to an  
20 existing facility, structure, or building, (c) renovation of an  
21 existing facility, structure, or building if the total project  
22 cost of such renovation represents not less than fifteen percent  
23 of the value of the existing facility, structure, or building  
24 as determined by the Department of Administrative Services, (d)  
25 purchase of an existing facility, structure, or building, and (e)

1 acquisition of a facility, structure, or building through means of  
2 conveyance other than sale and purchase.

3 (2) Beginning with the fiscal year that commences  
4 subsequent to the calendar year in which has occurred substantial  
5 completion of a capital improvement project as defined in  
6 subdivisions (1)(a) through (1)(c) of this section or acquisition  
7 of a capital improvement project as defined in subdivisions (1)(d)  
8 and (1)(e) of this section, the department shall assess a capital  
9 improvement depreciation charge to the agency maintaining ownership  
10 or control of the related facility, structure, or building and  
11 shall assess such charge for each fiscal year thereafter.  ~~except~~  
12  ~~that no depreciation charges shall be assessed or paid pursuant~~  
13  ~~to this section for the period beginning July 1, 2003, and ending~~  
14  ~~June 30, 2005, and depreciation charges in the amount of one-half~~  
15  ~~of the amount otherwise assessed pursuant to this section shall be~~  
16  ~~assessed and paid for the period beginning July 1, 2005, and ending~~  
17  ~~June 30, 2007.~~

18 (3) The annual depreciation charge for a capital  
19 improvement project as defined in subdivisions (1)(a) through  
20 (1)(c) of this section shall be computed as  ~~two~~ one percent of the  
21 total project cost of the capital improvement project. The annual  
22 depreciation charge for a capital improvement project as defined  
23 in subdivision (1)(d) of this section shall be computed as  ~~two~~  
24 one percent of the greater of the purchase price or the value, as  
25 determined by the department, of the capital improvement project

1 at the time of acquisition. The annual depreciation charge for a  
2 capital improvement project as defined in subdivision (1)(e) of  
3 this section shall be computed as ~~two~~ one percent of the value, as  
4 determined by the department, of the capital improvement project  
5 at the time of acquisition. The department may assess the charge  
6 annually or in monthly, quarterly, or semiannual installments.

7 (4) Depreciation charges shall not be assessed pursuant  
8 to this section for capital improvement projects relating to  
9 facilities, structures, or buildings owned, leased, or operated  
10 by the: (i) University of Nebraska; (ii) Nebraska state colleges;  
11 (iii) Department of Aeronautics; (iv) Department of Roads; (v)  
12 Game and Parks Commission; or (vi) Board of Educational Lands and  
13 Funds or to other buildings or grounds owned, leased, or operated  
14 by the State of Nebraska which are specifically exempted by the  
15 Department of Administrative Services because the assessment of  
16 such depreciation charges would result in the ineligibility for  
17 federal funding or would result in hardship on an agency, board, or  
18 commission due to other exceptional or unusual circumstances.  
19 Depreciation charges shall not be assessed pursuant to this  
20 section for capital improvement projects relating to facilities,  
21 structures, or buildings of which the department is custodian  
22 pursuant to section 81-1108.17 and for which charges are assessed  
23 pursuant to subdivision (4)(b) of such section.

24 (5) Payment of depreciation charges assessed pursuant to  
25 this section shall be remitted to the State Treasurer for credit to

1 the State Building Renewal Assessment Fund.

2 Sec. 22. Section 81-188.04, Revised Statutes Cumulative  
3 Supplement, 2006, is amended to read:

4 81-188.04 (1) For purposes of this section, capital  
5 improvement project means (a) construction of a new facility,  
6 structure, or building, (b) construction of additions to an  
7 existing facility, structure, or building, (c) renovation of an  
8 existing facility, structure, or building if the total project  
9 cost of such renovation represents not less than fifteen percent  
10 of the value of the existing facility, structure, or building  
11 as determined by the Department of Administrative Services, (d)  
12 purchase of an existing facility, structure, or building, and (e)  
13 acquisition of a facility, structure, or building through means of  
14 conveyance other than sale and purchase.

15 (2) Beginning with the fiscal year that commences  
16 subsequent to the calendar year in which has occurred substantial  
17 completion of a capital improvement project by the University of  
18 Nebraska as defined in subdivisions (1)(a) through (1)(c) of this  
19 section or acquisition of a capital improvement project by the  
20 University of Nebraska as defined in subdivisions (1)(d) and (1)(e)  
21 of this section, the department shall assess a capital improvement  
22 depreciation charge to the Board of Regents of the University  
23 of Nebraska and shall assess such charge for each fiscal year  
24 thereafter. ~~7~~ ~~except that no depreciation charges shall be assessed~~  
25 ~~or paid pursuant to this section for the period beginning July 1,~~



1 2003~~7~~ and ending June 30~~7~~ 2005~~7~~ and depreciation charges in the  
2 amount of one-half of the amount otherwise assessed pursuant to  
3 this section shall be assessed and paid for the period beginning  
4 July 1~~7~~ 2005~~7~~ and ending June 30~~7~~ 2007~~7~~.

5 (3) The annual depreciation charge for a capital  
6 improvement project as defined in subdivisions (1)(a) through  
7 (1)(c) of this section shall be computed as ~~two~~ one percent of the  
8 total project cost of the capital improvement project. The annual  
9 depreciation charge for a capital improvement project as defined  
10 in subdivision (1)(d) of this section shall be computed as ~~two~~  
11 one percent of the greater of the purchase price or the value, as  
12 determined by the department, of the capital improvement project  
13 at the time of acquisition. The annual depreciation charge for a  
14 capital improvement project as defined in subdivision (1)(e) of  
15 this section shall be computed as ~~two~~ one percent of the value, as  
16 determined by the department, of the capital improvement project  
17 at the time of acquisition. The department may assess the charge  
18 annually or in monthly, quarterly, or semiannual installments.

19 (4) Depreciation charges shall not be assessed pursuant  
20 to this section for capital improvement projects relating to  
21 facilities, structures, or buildings from which revenue is derived  
22 and pledged for the retirement of revenue bonds issued under  
23 sections 85-403 to 85-411.

24 (5) Payment of depreciation charges assessed pursuant to  
25 this section shall be remitted to the State Treasurer for credit to

1 the University Building Renewal Assessment Fund.

2 Sec. 23. Section 81-188.06, Revised Statutes Cumulative  
3 Supplement, 2006, is amended to read:

4 81-188.06 (1) For purposes of this section, capital  
5 improvement project means (a) construction of a new facility,  
6 structure, or building, (b) construction of additions to an  
7 existing facility, structure, or building, (c) renovation of an  
8 existing facility, structure, or building if the total project  
9 cost of such renovation represents not less than fifteen percent  
10 of the value of the existing facility, structure, or building  
11 as determined by the Department of Administrative Services, (d)  
12 purchase of an existing facility, structure, or building, and (e)  
13 acquisition of a facility, structure, or building through means of  
14 conveyance other than sale and purchase.

15 (2) Beginning with the fiscal year that commences  
16 subsequent to the calendar year in which has occurred substantial  
17 completion of a capital improvement project by the Nebraska state  
18 colleges as defined in subdivisions (1)(a) through (1)(c) of this  
19 section or acquisition of a capital improvement project by the  
20 Nebraska state colleges as defined in subdivisions (1)(d) and  
21 (1)(e) of this section, the department shall assess a depreciation  
22 charge to the Board of Trustees of the Nebraska State Colleges and  
23 shall assess such charge for each fiscal year thereafter. ~~7~~ ~~except~~  
24 ~~that no depreciation charges shall be assessed or paid pursuant~~  
25 ~~to this section for the period beginning July 1, 2003, and ending~~

1 ~~June 30, 2005, and depreciation charges in the amount of one-half~~  
2 ~~of the amount otherwise assessed pursuant to this section shall be~~  
3 ~~assessed and paid for the period beginning July 1, 2005, and ending~~  
4 ~~June 30, 2007.~~

5 (3) The annual depreciation charge for a capital  
6 improvement project as defined in subdivisions (1)(a) through  
7 (1)(c) of this section shall be computed as ~~two~~ one percent of the  
8 total project cost of the capital improvement project. The annual  
9 depreciation charge for a capital improvement project as defined  
10 in subdivision (1)(d) of this section shall be computed as ~~two~~  
11 one percent of the greater of the purchase price or the value, as  
12 determined by the department, of the capital improvement project  
13 at the time of acquisition. The annual depreciation charge for a  
14 capital improvement project as defined in subdivision (1)(e) of  
15 this section shall be computed as ~~two~~ one percent of the value, as  
16 determined by the department, of the capital improvement project  
17 at the time of acquisition. The department may assess the charge  
18 annually or in monthly, quarterly, or semiannual installments.

19 (4) Depreciation charges shall not be assessed pursuant  
20 to this section for capital improvement projects relating to  
21 facilities, structures, or buildings from which revenue is derived  
22 and pledged for the retirement of revenue bonds issued under  
23 sections 85-403 to 85-411.

24 (5) Payment of depreciation charges assessed pursuant to  
25 this section shall be remitted to the State Treasurer for credit to

1 the State College Building Renewal Assessment Fund.

2 Sec. 24. Section 81-523, Revised Statutes Cumulative  
3 Supplement, 2006, is amended to read:

4 81-523 (1) For the purpose of maintaining the office of  
5 the State Fire Marshal and such other fire prevention activities as  
6 the Governor may direct, every foreign and alien insurance company  
7 including nonresident attorneys for subscribers to reciprocal  
8 insurance exchanges shall, on or before March 1, pay a tax to  
9 the Director of Insurance of three-fourths of one percent of the  
10 gross direct writing premiums and assessments received by each  
11 of such companies during the preceding calendar year for fire  
12 insurance business done in this state.

13 (2) For the purpose set forth in subsection (1) of  
14 this section, every domestic insurance company including resident  
15 attorneys for subscribers to reciprocal insurance exchanges shall,  
16 on or before March 1, pay a tax to the Director of Insurance of  
17 three-eighths of one percent of the gross direct writing premiums  
18 and assessments received by each of such companies during the  
19 preceding calendar year for fire insurance business done in this  
20 state.

21 (3) The term fire insurance business, as used in  
22 subsections (1), (2), and (4) of this section, shall include,  
23 but not be limited to, premiums of policies on fire risks on  
24 automobiles, whether written under floater form or otherwise.

25 (4) Return premiums on fire insurance business, subject

1 to the fire insurance tax, in accordance with subsections (1)  
2 and (2) of this section, may be deducted from the gross direct  
3 writing premiums for the purpose of the tax calculations provided  
4 for by subsections (1) and (2) of this section. In the case of  
5 mutual companies and assessment associations, the dividends paid  
6 or credited to policyholders or members in this state shall be  
7 construed to be return premiums.

8 (5) Any tax collected pursuant to subsections (1) and (2)  
9 of this section shall be remitted to the State Treasurer for credit  
10 to the General Fund.

11 ~~(6) The State Treasurer shall transfer the entire balance~~  
12 ~~in the Fire Insurance Tax Fund, including any investment income~~  
13 ~~credited to the fund, to the State Fire Marshal Cash Fund, as soon~~  
14 ~~as possible after April 14, 2004.~~

15 Sec. 25. Section 81-5,153, Revised Statutes Cumulative  
16 Supplement, 2006, is amended to read:

17 81-5,153 The Training Division Cash Fund is created.  
18 Money collected pursuant to section 81-5,152 shall be remitted to  
19 the State Treasurer for credit to the fund. The fund shall be used  
20 for the purpose of administering the training program established  
21 pursuant to sections 81-5,151 to 81-5,157. The fund shall be  
22 administered by the State Fire Marshal. Any money in the fund  
23 available for investment shall be invested by the state investment  
24 officer pursuant to the Nebraska Capital Expansion Act and the  
25 Nebraska State Funds Investment Act.

1           Any money in the State Fire Marshal Cash Fund remitted  
2 for the purpose of administering the training program for fire  
3 department personnel and others involved in fire safety training  
4 for developing and maintaining fire department skills and safety  
5 operations shall be transferred to the Training Division Cash Fund  
6 as soon as possible after April 14, 2004.

7           Sec. 26. Section 81-1108.22, Revised Statutes Cumulative  
8 Supplement, 2006, is amended to read:

9           81-1108.22 (1) The division shall have the responsibility  
10 of providing office space in leased and state-owned buildings in  
11 the proximity of the State Capitol and in other locations.

12           (2) When any board, agency, commission, or department  
13 of the state government not otherwise specifically authorized by  
14 law desires to use funds available for the purpose of renting  
15 office space outside of the State Capitol, it shall submit a  
16 request to the Director of Administrative Services. If the director  
17 approves the lease, the terms and location shall be approved by the  
18 director and the administrator in writing and the leases shall be  
19 entered into and administered by the administrator on behalf of the  
20 board, agency, commission, or department. A copy of all such lease  
21 contracts shall be kept on file by the state building division  
22 and shall be open to inspection by the Legislature and the public  
23 during normal business hours.

24           (3)(a) The administrator shall develop a system of  
25 charges to cover basic rental, maintenance, renovations, and

1 operation of such leased and owned properties. The charges to state  
2 agencies, boards, commissions, or departments of state government  
3 shall be paid from funds available for the purpose of renting  
4 space on a regular basis and placed, as applicable, in the State  
5 Building Revolving Fund and the State Building Renewal Assessment  
6 Fund. The administrator shall make payments for basic rentals,  
7 renovations, and maintenance and operational costs of all leased  
8 and owned buildings from the State Building Revolving Fund except  
9 for expenses relating to security provided by the Nebraska State  
10 Patrol as provided in subdivision (b) of this subsection.

11 (b) The State Building Revolving Fund is created. The  
12 fund shall be administered by the administrator. The fund shall  
13 consist of rental charges and other receipts collected pursuant  
14 to contractual agreements between the state building division and  
15 other entities as authorized by law. The fund shall only be used  
16 to support the ~~operations~~ operation of the state building division  
17 as provided by law, except that the Legislature shall make fund  
18 transfers each fiscal year through the budget process from the  
19 State Building Revolving Fund to the Capitol Security Revolving  
20 Fund to help pay non-general-fund costs associated with the  
21 operation of the state capitol security division of the Nebraska  
22 State Patrol. That portion of rental revenue collected from  
23 state-owned or leased buildings and grounds in Lincoln, Nebraska,  
24 relating to security assessments shall be administratively  
25 transferred from the State Building Revolving Fund to the Nebraska

1 ~~State Patrol Cash Fund on a periodic basis.~~ Any money in the State  
2 Building Revolving Fund available for investment shall be invested  
3 by the state investment officer pursuant to the Nebraska Capital  
4 Expansion Act and the Nebraska State Funds Investment Act.

5 (4) The charges for such leased and owned properties  
6 shall only be adjusted by the administrator on July 1. Prior  
7 to any adjustment in the system of charges, the Department of  
8 Administrative Services, on or before December 1 of the year  
9 preceding the effective date of such adjustment, shall provide  
10 written notification to the Committee on Building Maintenance, the  
11 Clerk of the Legislature, and the Legislative Fiscal Analyst of the  
12 proposed adjustment to the system of charges.

13 (5) Commencing on April 18, 1992, all leases of real  
14 property entered into by any state agency, board, commission, or  
15 department shall be subject to this section. Leases held by a  
16 state agency, board, commission, or department on such date shall  
17 be valid until the lease contract is terminated or is subject to  
18 renewal. The division shall monitor all such leases and determine  
19 when the lease is subject to renewal. Once the determination  
20 is made, the division shall cancel the lease as of the renewal  
21 date and shall treat the need of the agency, board, commission,  
22 or department as an original request for space and subject to  
23 this section. This subsection shall not apply to (a) state-owned  
24 facilities to be rented to state agencies or other parties by  
25 the University of Nebraska, the Nebraska state colleges, the



1 Department of Aeronautics, the Department of Roads, and the Board  
2 of Educational Lands and Funds, (b) facilities to be leased for  
3 use by the University of Nebraska, the Nebraska state colleges,  
4 and the Board of Educational Lands and Funds, (c) facilities to  
5 be leased for nonoffice use by the Department of Roads, or (d)  
6 facilities controlled by the State Department of Education, which  
7 were formerly controlled by the Nebraska School for the Visually  
8 Handicapped, to be rented to state agencies or other parties by the  
9 department.

10 Sec. 27. Section 81-1201.21, Revised Statutes Cumulative  
11 Supplement, 2006, is amended to read:

12 81-1201.21 There is hereby created the Job Training Cash  
13 Fund. The fund shall be under the direction of the Department of  
14 Economic Development. Money may be transferred to the fund pursuant  
15 to subdivision (1)(b)(iv) of section 48-621 and from the Cash  
16 Reserve Fund at the direction of the Legislature. The department  
17 shall establish a subaccount for all money transferred from the  
18 Cash Reserve Fund to the Job Training Cash Fund on or after July  
19 1, 2005. Any unexpended ~~and~~ or unobligated balance remaining within  
20 such subaccount on July 1, ~~2007,~~ 2010, shall be transferred by  
21 the State Treasurer to the Cash Reserve Fund no later than July  
22 10, ~~2007.~~ 2010. Any obligated amount not transferred from the  
23 subaccount that remains unexpended on July 1, ~~2008,~~ 2009, shall  
24 be transferred by the State Treasurer to the Cash Reserve Fund no  
25 later than ~~July 10, 2008.~~ December 31, 2011.

1           The department shall use the fund to provide  
2 reimbursements for job training activities, including employee  
3 assessment, preemployment training, on-the-job training, training  
4 equipment costs, and other reasonable costs related to helping  
5 industry and business locate or expand in Nebraska, or to provide  
6 upgrade skills training of the existing labor force necessary to  
7 adapt to new technology or the introduction of new product lines.

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

11           Sec. 28. The State Treasurer shall transfer \$5,500,000  
12 from the General Fund to the Ethanol Production Incentive Cash  
13 Fund on or before June 30, 2008, on such date as directed by the  
14 budget administrator of the budget division of the Department of  
15 Administrative Services, pursuant to subdivision (2)(f) of section  
16 66-1345.04.

17           Sec. 29. The State Treasurer shall transfer \$15,500,000  
18 from the General Fund to the Ethanol Production Incentive Cash  
19 Fund on or before June 30, 2008, on such date as directed by the  
20 budget administrator of the budget division of the Department of  
21 Administrative Services, pursuant to subdivision (2)(i) of section  
22 66-1345.04.

23           Sec. 30. The State Treasurer shall transfer \$2,500,000  
24 from the General Fund to the Ethanol Production Incentive Cash  
25 Fund on or before June 30, 2009, on such date as directed by the

1 budget administrator of the budget division of the Department of  
2 Administrative Services, pursuant to subdivision (2)(g) of section  
3 66-1345.04.

4           Sec. 31. The State Treasurer shall transfer the entire  
5 balance in the Community Corrections Uniform Data Analysis Fund,  
6 including any investment income credited to the fund, to the  
7 Community Corrections Uniform Data Analysis Cash Fund, as soon as  
8 possible on or after the operative date of this section.

9           Sec. 32. The State Treasurer shall transfer the entire  
10 balance in the Information Technology Infrastructure Fund,  
11 including any investment income credited to the fund, to the  
12 Nebraska Public Safety Communication System Cash Fund, as soon as  
13 possible on or before July 5, 2009, for FY2009-10.

14           Sec. 33. The State Treasurer shall transfer the entire  
15 balance in the Municipal Infrastructure Redevelopment Fund,  
16 including any investment income credited to the fund, to the  
17 Nebraska Public Safety Communication System Cash Fund, as soon as  
18 possible on or after August 1, 2009.

19           Sec. 34. The State Treasurer shall transfer the entire  
20 balance in the City of the Metropolitan Class Development Fund,  
21 including any investment income credited to the fund, to the  
22 Nebraska Public Safety Communication System Cash Fund, as soon as  
23 possible on or after August 1, 2016.

24           Sec. 35. The State Treasurer shall transfer the entire  
25 balance in the City of the Primary Class Development Fund,

1 including any investment income credited to the fund, to the  
2 Nebraska Public Safety Communication System Cash Fund, as soon as  
3 possible on or after August 1, 2016.

4           Sec. 36. It is the intent of the Legislature  
5 to appropriate \$2,050,000 from the Nebraska Public Safety  
6 Communication System Cash Fund for FY2008-09 to the Nebraska State  
7 Patrol, for Program 850, to aid in carrying out the provisions of  
8 this act.

9           It is the intent of the Legislature to reduce the  
10 General Fund appropriation by \$2,050,000 for FY2008-09 to the  
11 Nebraska State Patrol, for Program 850, to aid in carrying out the  
12 provisions of this act.

13           Sec. 37. (1) The Microenterprise Development Cash Fund  
14 is created. The fund shall be administered by the Department  
15 of Economic Development. Any money in the fund available for  
16 investment shall be invested by the state investment officer  
17 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
18 State Funds Investment Act.

19           (2) The State Treasurer shall credit to the fund money  
20 as is (a) transferred to the fund by the Legislature, (b) paid  
21 to the state as fees, deposits, payments, and repayments relating  
22 to the fund, both principal and interest, (c) donated as gifts,  
23 bequests, or other contributions to such fund from public or  
24 private entities, and (d) made available by any department or  
25 agency of the United States if so directed by such department or

1 agency.

2 (3) The fund shall be used by the Department of Economic  
3 Development for the purpose of carrying out the Microenterprise  
4 Development Act.

5 Sec. 38. (1) The Building Entrepreneurial Communities  
6 Cash Fund is created. The fund shall be administered by the  
7 Department of Economic Development. Any money in the fund available  
8 for investment shall be invested by the state investment officer  
9 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
10 State Funds Investment Act.

11 (2) The State Treasurer shall credit to the fund such  
12 money as is (a) transferred to the fund by the Legislature, (b)  
13 paid to the state as fees, deposits, payments, and repayments  
14 relating to the fund, both principal and interest, (c) donated as  
15 gifts, bequests, or other contributions to such fund from public  
16 or private entities, and (d) made available by any department or  
17 agency of the United States if so directed by such department or  
18 agency.

19 (3) The fund shall be expended by the Department of  
20 Economic Development for the purpose of carrying out the Building  
21 Entrepreneurial Communities Act.

22 Sec. 39. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12,  
23 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30,  
24 32, 33, 34, 35, 36, 37, 38, and 41 of this act become operative on  
25 July 1, 2007. Section 43 of this act becomes operative on August

1 1, 2007. The other sections of this act become operative on their  
2 effective date.

3           Sec. 40. Original section 69-2436, Revised Statutes  
4 Cumulative Supplement, 2006, is repealed.

5           Sec. 41. Original section 47-633, Reissue Revised  
6 Statutes of Nebraska, sections 47-632, 48-162.02, 55-131, 60-1303,  
7 60-1513, 66-489, 66-1345.04, 71-3532, 71-7611, 77-2602, 81-188.02,  
8 81-188.04, 81-188.06, 81-523, 81-5,153, 81-1108.22, and 81-1201.21,  
9 Revised Statutes Cumulative Supplement, 2006, section 66-1345.02,  
10 Reissue Revised Statutes of Nebraska, as amended by section 29,  
11 Legislative Bill 701, One Hundredth Legislature, First Session,  
12 2007, and sections 66-1345 and 66-1345.01, Revised Statutes  
13 Cumulative Supplement, 2006, as amended by sections 27 and 28,  
14 respectively, Legislative Bill 701, One Hundredth Legislature,  
15 First Session, 2007, are repealed.

16           Sec. 42. The following sections are outright repealed:  
17 Sections 86-417.01 and 86-417.02, Revised Statutes Cumulative  
18 Supplement, 2006.

19           Sec. 43. The following section is outright repealed:  
20 Section 84-221, Revised Statutes Cumulative Supplement, 2006.

21           Sec. 44. Since an emergency exists, this act takes effect  
22 when passed and approved according to law.