

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 323

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 the Cash Reserve Fund; to amend sections
2 72-730, 81-179, 84-612, and 84-613, Revised Statutes
3 Cumulative Supplement, 2006; to change and eliminate
4 provisions relating to the Cash Reserve Fund; to provide
5 for and eliminate transfers of funds and interest as
6 prescribed; to harmonize provisions; to provide operative
7 dates; to repeal the original sections; and to declare an
8 emergency.

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

1 Section 1. Section 72-730, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 72-730 The State Capitol Restoration Fund is created.
4 ~~Money in the fund shall include interest earned by the Cash Reserve~~
5 ~~Fund and transferred to the State Capitol Restoration Fund pursuant~~
6 ~~to section 84-613.~~ Any money in the fund available for investment
7 shall be invested by the state investment officer pursuant to
8 the Nebraska Capital Expansion Act and the Nebraska State Funds
9 Investment Act.

10 Sec. 2. Section 81-179, Revised Statutes Cumulative
11 Supplement, 2006, is amended to read:

12 81-179 (1) There is hereby created under the control
13 of the Governor, for allocation to building renewal projects of
14 the various agencies, a fund to be known as the Building Renewal
15 Allocation Fund. The fund shall contain the revenue from the
16 special privilege tax as provided in section 77-2602, ~~the interest~~
17 ~~income as provided in section 84-613,~~ and such other money as is
18 appropriated by the Legislature. Such appropriation is declared to
19 consist of building renewal funds which shall be kept separate
20 and distinct from the program continuation funds and project
21 construction funds.

22 (2) Separate subfunds, subprograms, projects, or accounts
23 shall be established to separately account for any expenditures on
24 state buildings or facilities to comply with the federal Americans
25 with Disabilities Act of 1990. A minimal amount of the funds

1 contained in the subfunds, subprograms, projects, or accounts may
2 be used for planning and evaluation of buildings and facilities.

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

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

12 Sec. 3. Section 84-612, Revised Statutes Cumulative
13 Supplement, 2006, is amended to read:

14 84-612 (1) There is hereby created within the state
15 treasury a fund known as the Cash Reserve Fund which shall be under
16 the direction of the State Treasurer. The fund shall only be used
17 pursuant to this section.

18 (2) The State Treasurer shall transfer funds from the
19 Cash Reserve Fund to the General Fund upon certification by the
20 Director of Administrative Services that the current cash balance
21 in the General Fund is inadequate to meet current obligations. Such
22 certification shall include the dollar amount to be transferred.
23 Any transfers made pursuant to this subsection shall be reversed
24 upon notification by the Director of Administrative Services that
25 sufficient funds are available.

1 (3) The State Treasurer, at the direction of the
2 budget administrator of the budget division of the Department
3 of Administrative Services, shall transfer such amounts not to
4 exceed seven million seven hundred fifty-three thousand two hundred
5 sixty-three dollars in total from the Cash Reserve Fund to the
6 Nebraska Capital Construction Fund between July 1, 2003, and June
7 30, 2007.

8 (4) The State Treasurer, at the direction of the budget
9 administrator, shall transfer an amount equal to the total amount
10 transferred pursuant to subsection (3) of this section from the
11 General Fund to the Cash Reserve Fund on or before June 30, 2008.

12 (5) In addition to receiving transfers from other funds,
13 the Cash Reserve Fund shall receive federal funds received by the
14 State of Nebraska for undesignated general government purposes,
15 federal revenue sharing, or general fiscal relief of the state.

16 (6) On June 15, 2007, the State Treasurer shall transfer
17 fifteen million six hundred seventy-four thousand one hundred seven
18 dollars from the Cash Reserve Fund to the General Fund.

19 (7) On June ~~15,~~ 16, 2008, the State Treasurer shall
20 transfer seventeen million nine hundred thirty-one thousand thirty
21 dollars from the Cash Reserve Fund to the General Fund.

22 (8) On June 15, 2009, the State Treasurer shall transfer
23 four million nine hundred ninety thousand five hundred five dollars
24 from the Cash Reserve Fund to the General Fund.

25 (9) On or before June 16, 2008, the State Treasurer, at

1 the direction of the budget administrator, shall transfer fifty
2 million dollars from the Cash Reserve Fund to the General Fund.

3 (10) On or before June 16, 2009, the State Treasurer,
4 at the direction of the budget administrator, shall transfer fifty
5 million dollars from the Cash Reserve Fund to the General Fund.

6 (11) From the effective date of an endowment agreement
7 as defined in subdivision (3)(c) of section 79-1101 until June
8 30, 2007, forty million dollars of the Cash Reserve Fund shall be
9 deemed to constitute the Early Childhood Education Endowment Fund.
10 Such funds shall remain part of the Cash Reserve Fund for all
11 purposes, except that the interest earned on such forty million
12 dollars shall accrue as provided in section 84-613.

13 (12) The State Treasurer, at the direction of the budget
14 administrator, shall transfer such amounts, as certified by the
15 Director of Administrative Services, for employee health insurance
16 claims and expenses, not to exceed twelve million dollars in total
17 from the Cash Reserve Fund to the State Employees Insurance Fund
18 between May 1, 2007, and June 30, 2011.

19 (13) On July 9, 2007, the State Treasurer shall transfer
20 twelve million dollars from the Cash Reserve Fund to the Nebraska
21 Capital Construction Fund.

22 (14) On July 9, 2007, the State Treasurer shall transfer
23 five million dollars from the Cash Reserve Fund to the Job Training
24 Cash Fund. The State Treasurer shall transfer from the Job Training
25 Cash Fund to the Cash Reserve Fund such amounts as directed in

1 section 81-1201.21.

2 (15) On July 7, 2008, the State Treasurer shall transfer
3 five million dollars from the Cash Reserve Fund to the Job Training
4 Cash Fund. The State Treasurer shall transfer from the Job Training
5 Cash Fund to the Cash Reserve Fund such amounts as directed in
6 section 81-1201.21.

7 (16) On or before August 1, 2007, the State Treasurer,
8 at the direction of the budget administrator, shall transfer
9 seventy-five million dollars from the Cash Reserve Fund to the
10 Nebraska Capital Construction Fund.

11 (17) On or before June 30, 2009, the State Treasurer
12 shall transfer nine million five hundred ninety thousand dollars
13 from the Cash Reserve Fund to the Nebraska Capital Construction
14 Fund.

15 (18) The State Treasurer, at the direction of the budget
16 administrator, shall transfer an amount equal to the total amount
17 transferred pursuant to subsection (12) of this section from
18 the appropriate health insurance accounts of the State Employees
19 Insurance Fund in such amounts as certified by the Director of
20 Administrative Services to the Cash Reserve Fund on or before June
21 30, 2011.

22 (19) On July 9, 2007, the State Treasurer shall
23 transfer one million dollars from the Cash Reserve Fund to the
24 Microenterprise Development Cash Fund.

25 (20) On July 9, 2007, the State Treasurer shall transfer

1 two hundred fifty thousand dollars from the Cash Reserve Fund to
2 the Building Entrepreneurial Communities Cash Fund.

3 (21) On July 7, 2008, the State Treasurer shall
4 transfer one million dollars from the Cash Reserve Fund to the
5 Microenterprise Development Cash Fund.

6 (22) On July 7, 2008, the State Treasurer shall transfer
7 two hundred fifty thousand dollars from the Cash Reserve Fund to
8 the Building Entrepreneurial Communities Cash Fund.

9 Sec. 4. Section 84-613, Revised Statutes Cumulative
10 Supplement, 2006, is amended to read:

11 84-613 ~~(1)~~ Any money in the Cash Reserve Fund available
12 for investment shall be invested by the state investment officer
13 pursuant to the Nebraska Capital Expansion Act and the Nebraska
14 State Funds Investment Act. Until July 1, 2007, any interest
15 earned by the fund shall accrue to the General Fund, except
16 for interest earned on forty million dollars if such money is
17 deemed to constitute the Early Childhood Education Endowment Fund
18 in accordance with subsection (11) of section 84-612. From the
19 effective date of an endowment agreement as defined in subdivision
20 (3)(c) of section 79-1101 until June 30, 2007, interest earned
21 on the forty million dollars deemed to constitute the Early
22 Childhood Education Endowment Fund shall accrue to the Early
23 Childhood Education Endowment Cash Fund. Commencing July 1, 2007,
24 any interest earned by the Cash Reserve Fund shall accrue to the
25 ~~Building Renewal Allocation Fund.~~ General Fund.

1 ~~(2)~~ Of the amount accruing to the Building Renewal
2 Allocation Fund pursuant to this section for the period July
3 1, 2007, through June 30, 2008, the State Treasurer, at the
4 direction of the budget administrator of the budget division of the
5 Department of Administrative Services, shall transfer to the State
6 Capitol Restoration Fund an amount or amounts equivalent to the
7 total amount appropriated from the State Capitol Restoration Fund
8 for the period July 1, 2008, through June 30, 2009. If the amount
9 accruing to the Building Renewal Allocation Fund for the period
10 July 1, 2007, through June 30, 2008, is insufficient to fulfill the
11 directed transfers to the State Capitol Restoration Fund for such
12 period, any deficiency shall be satisfied with amounts transferred
13 pursuant to subsection ~~(3)~~ of this section.

14 ~~(3)~~ Of the amount accruing to the Building Renewal
15 Allocation Fund pursuant to this section for the period July 1,
16 2008, through June 30, 2009, the State Treasurer, at the direction
17 of the budget administrator, shall first transfer to the State
18 Capitol Restoration Fund an amount or amounts equivalent to any
19 deficiency in amounts accruing to the State Capitol Restoration
20 Fund under the provisions of subsection ~~(2)~~ of this section and
21 shall then transfer to the State Capitol Restoration Fund an amount
22 or amounts equivalent to the total amount appropriated from the
23 State Capitol Restoration Fund for the period July 1, 2009, through
24 June 30, 2010. If the amount accruing to the Building Renewal
25 Allocation Fund for the period July 1, 2008, through June 30, 2009,

1 is insufficient to fulfill the directed transfers to the State
2 Capitol Restoration Fund for such period, any such deficiency shall
3 be satisfied with amounts transferred pursuant to subsection (4) of
4 this section.

5 (4) Of the amount accruing to the Building Renewal
6 Allocation Fund pursuant to this section for the period July 1,
7 2009, through June 30, 2010, the State Treasurer, at the direction
8 of the budget administrator, shall first transfer to the State
9 Capitol Restoration Fund an amount or amounts equivalent to any
10 deficiency in amounts accruing to the State Capitol Restoration
11 Fund under the provisions of subsection (3) of this section and
12 shall then transfer to the State Capitol Restoration Fund an amount
13 or amounts equivalent to the total amount appropriated from the
14 State Capitol Restoration Fund for the period July 1, 2010, through
15 June 30, 2011. If the amount accruing to the Building Renewal
16 Allocation Fund for the period July 1, 2009, through June 30, 2010,
17 is insufficient to fulfill the directed transfers to the State
18 Capitol Restoration Fund for such period, any such deficiency shall
19 be satisfied with amounts transferred pursuant to subsection (5) of
20 this section.

21 (5) Of the amount accruing to the Building Renewal
22 Allocation Fund pursuant to this section for the period July 1,
23 2010, through June 30, 2011, the State Treasurer, at the direction
24 of the budget administrator, shall transfer to the State Capitol
25 Restoration Fund an amount or amounts equivalent to any deficiency

1 ~~in amounts accruing to the State Capitol Restoration Fund under the~~
2 ~~provisions of subsection (4) of this section.~~

3 Sec. 5. Sections 1, 2, 4, and 6 of this act become
4 operative on July 1, 2007. The other sections of this act become
5 operative on their effective date.

6 Sec. 6. Original sections 72-730, 81-179, and 84-613,
7 Revised Statutes Cumulative Supplement, 2006, are repealed.

8 Sec. 7. Original section 84-612, Revised Statutes
9 Cumulative Supplement, 2006, is repealed.

10 Sec. 8. Since an emergency exists, this act takes effect
11 when passed and approved according to law.