



Hundredth Legislature - First Session - 2007  
**Introducer's Statement of Intent**  
**LB 438**

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**Chairperson:** Lavon Heidemann  
**Committee:** Appropriations  
**Date of Hearing:** March 6, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 438 appropriates \$320,000 from the General Fund for FY 2007-08 and \$625,000 from the General Fund for FY 2008-09 to provide transitional funding for Area Health Education Centers.

Nebraska has five Area Health Education Centers (AHECs), not-for-profit organizations governed by local boards of directors and located throughout the state. AHECs have a contractual relationship with the University of Nebraska Medical Center which funnels federal funding to the five organizations under Title VII of the Public Health Service Act. AHECs began in Nebraska in 2001 as federal core funded programs. Each AHEC is eligible for federal core funding for six years. A state can receive twelve years of federal core funding. Once all centers have exhausted their federal core funding, they can apply for and receive federal basic funding at a lower rate. States can not receive federal core funding and federal basic funding at the same time.

Nebraska's first AHEC completes six years of federal core funding in 2007. The last AHEC completes six years of federal core funding in 2011. In 2011, Nebraska AHECs will become eligible for federal basic funding LB 438 requests that General Funds provide 12% of the funding needed to maintain AHEC programming from 2007 to 2011 at which time the AHECs become eligible for federal basic funding.

**Principal Introducer:** \_\_\_\_\_  
**Senator Vickie D. McDonald**