

LEGISLATURE OF NEBRASKA
ONE HUNDRED SECOND LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 777

Introduced by Haar, 21.

Read first time January 04, 2012

Committee: Appropriations

A BILL

1 FOR AN ACT relating to funds; to amend sections 59-1608.04 and
2 81-15,174, Revised Statutes Supplement, 2011; to provide
3 for the distribution of money received by the state due
4 to a settlement or court order or judgment as prescribed;
5 to provide legislative review and appropriation
6 requirements for the State Settlement Cash Fund; to
7 change provisions relating to the Environmental Trust
8 Fund; and to repeal the original sections.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Except as otherwise specifically provided by
2 section 2 of this act or court order or judgment, all money received
3 by the state from an out-of-court settlement or court order or
4 judgment shall be remitted to the State Treasurer for distribution in
5 accordance with Article VII, section 5, of the Constitution of
6 Nebraska. Instructions for any money so received that is not to be
7 distributed in accordance with Article VII, section 5, of the
8 Constitution of Nebraska shall include the specific fund created by
9 the Legislature to which the State Treasurer shall credit the money.

10 Sec. 2. All money received by the Nebraska Attorney
11 General's office as a result of awards, judgments, and out-of-court
12 settlements relating to enforcement of violations of the
13 Environmental Protection Act shall be remitted to the State Treasurer
14 for credit to the Nebraska Environmental Trust Fund. The Attorney
15 General shall file copies of all such awards, court orders or
16 judgments, and settlements and any final court approval relating to
17 such settlements with the Accounting Administrator of the Department
18 of Administrative Services.

19 Sec. 3. On the effective date of this act, all money in a
20 fund maintained by the Office of the Attorney General known as the
21 Supplemental Environmental Project Fund shall be transferred to the
22 Nebraska Environmental Trust Fund for distribution pursuant to the
23 Nebraska Environmental Trust Act.

24 Sec. 4. Section 59-1608.04, Revised Statutes Supplement,
25 2011, is amended to read:

1 59-1608.04 The State Settlement Cash Fund is created. The
2 fund shall be maintained by the Department of Justice and
3 administered by the Attorney General. Except as otherwise provided by
4 law, the fund shall consist of all recoveries received pursuant to
5 the Consumer Protection Act, including any money, funds, securities,
6 or other things of value in the nature of civil damages or other
7 payment, except criminal penalties, whether such recovery is by way
8 of verdict, judgment, compromise, or settlement in or out of court,
9 or other final disposition of any case or controversy, or any other
10 payments received on behalf of the state by the Department of Justice
11 and administered by the Attorney General for the benefit of the state
12 or the general welfare of its citizens, but excluding all funds held
13 in a trust capacity where specific benefits accrue to specific
14 individuals, organizations, or governments. The fund may be expended
15 for any allowable legal purposes as determined by the Attorney
16 General. All money in the fund shall be subject to legislative review
17 and shall be appropriated and expended for any allowable legal
18 purposes as determined by the Legislature. The fund shall only be
19 appropriated to a separate and distinct budget program and such
20 appropriations shall only be expended from a separate and distinct
21 budget subprogram and shall not be commingled with any other revenue
22 or expenditure. To provide necessary financial accountability and
23 management oversight, revenue from individual settlement agreements
24 or other separate sources credited to the State Settlement Cash Fund
25 may be tracked and accounted for within the state accounting system

1 through the use of separate and distinct funds, subfunds, or any
2 other available accounting mechanism specifically approved by the
3 Accounting Administrator ~~for use by the Department of Justice. of the~~
4 Department of Administrative Services. Any money in the fund
5 available for investment shall be invested by the state investment
6 officer pursuant to the Nebraska Capital Expansion Act and the
7 Nebraska State Funds Investment Act.

8 Sec. 5. Section 81-15,174, Revised Statutes Supplement,
9 2011, is amended to read:

10 81-15,174 The Nebraska Environmental Trust Fund is
11 created. The fund shall be maintained in the state accounting system
12 as a cash fund. Except as otherwise provided in this section, the
13 fund shall be used to carry out the purposes of the Nebraska
14 Environmental Trust Act, including the payment of administrative
15 costs. Money in the fund shall include proceeds credited pursuant to
16 section 9-812, ~~and~~ proceeds designated by the board pursuant to
17 section 81-15,173, and funds credited pursuant to sections 2 and 3 of
18 this act. Any money in the fund available for investment shall be
19 invested by the state investment officer pursuant to the Nebraska
20 Capital Expansion Act and the Nebraska State Funds Investment Act.

21 Sec. 6. Original sections 59-1608.04 and 81-15,174,
22 Revised Statutes Supplement, 2011, are repealed.