

# **One Hundred Second Legislature - First Session - 2011**

## **Introducer's Statement of Intent**

### **LB 379**

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**Chairperson: Senator Lavon Heidemann**

**Committee: Appropriations**

**Date of Hearing: February 07, 2011**

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

LB 379, introduced by the Speaker at the request of the Governor, is part of the Governor's biennial budget recommendations.

The bill's primary purpose is to amend Nebraska Revised Statutes section 84-612 to provide for the following new transfers to/from the Cash Reserve Fund:

1. The State Treasurer shall transfer a total of \$130 million from the Cash Reserve Fund to the General Fund on or before June 30, 2012, on such dates and in such amounts as directed by the budget administrator, to support the maintenance of critical state services and mitigate the adverse effects of the forecasted decline in tax receipts.
2. The State Treasurer shall transfer a total of \$130 million from the Cash Reserve Fund to the General Fund on or before June 30, 2013, on such dates and in such amounts as directed by the budget administrator, to support the maintenance of critical state services and mitigate the adverse effects of the forecasted decline in tax receipts.
3. The State Treasurer, at the direction of the budget administrator, shall transfer not to exceed \$12 million dollars in total from the Cash Reserve Fund to the Ethanol Production Incentive Cash (EPIC) Fund, between July 1, 2011 and November 30, 2012, as directed by the budget administrator. The State Treasurer, at the direction of the budget administrator, shall transfer from the EPIC Fund to the Cash Reserve Fund, an amount equal to the total amount transferred to the EPIC Fund prior to November 30, 2012. Such transfers back to the Cash Reserve Fund shall be on or before November 30, 2012 in such amounts as certified by the Tax Commissioner. These temporary transfers to the EPIC Fund will provide the necessary cash flow for the fund to issue credits to ethanol producers without proration of these credits while the fund awaits the receipt of its regular revenue from the current excise tax on the sale of corn and grain sorghum.

The bill also amends section 66-1345 to harmonize provisions related to transfers to the Ethanol Production Incentive Cash Fund.

This legislative bill contains the emergency clause.

Detailed information regarding the Governor's budget recommendations may be found in the Executive Budget, 2011-2013 Biennium, which may be viewed on the Administrative Services State Budget Division's website at [http://www.budget.ne.gov/das\\_budget/budget11/20112013.htm](http://www.budget.ne.gov/das_budget/budget11/20112013.htm).

**Principal Introducer:** \_\_\_\_\_

**Speaker Mike Flood, at the request of the Governor**