

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 331

Introduced by Speaker Scheer, 19; at the request of the Governor.

Read first time January 12, 2017

Committee: Appropriations

1 A BILL FOR AN ACT relating to funds; to amend sections 24-231,
2 29-4115.01, 71-1001, and 81-15,175, Reissue Revised Statutes of
3 Nebraska, and sections 7-209, 47-632, 61-218, 66-1519, 72-1001, and
4 72-2211, Revised Statutes Cumulative Supplement, 2016; to provide
5 for transfers; to create funds; to harmonize provisions; to change
6 provisions governing funds; to repeal the original sections; and to
7 declare an emergency.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. The State Treasurer shall transfer \$221,000,000 from the
2 General Fund to the Property Tax Credit Cash Fund on or before December
3 15, 2017, on such date as directed by the budget administrator of the
4 budget division of the Department of Administrative Services.

5 Sec. 2. The State Treasurer shall transfer \$221,000,000 from the
6 General Fund to the Property Tax Credit Cash Fund on or before December
7 15, 2018, on such date as directed by the budget administrator of the
8 budget division of the Department of Administrative Services.

9 Sec. 3. The State Treasurer shall transfer \$10,670,000 from the
10 General Fund to the Water Sustainability Fund on or before June 30, 2018,
11 on such dates and in such amounts as directed by the budget administrator
12 of the budget division of the Department of Administrative Services.

13 Sec. 4. The State Treasurer shall transfer \$10,670,000 from the
14 General Fund to the Water Sustainability Fund on or before June 30, 2019,
15 on such dates and in such amounts as directed by the budget administrator
16 of the budget division of the Department of Administrative Services.

17 Sec. 5. The State Treasurer shall transfer \$3,300,000 from the
18 General Fund to the Water Resources Cash Fund on or before June 30, 2018,
19 on such dates and in such amounts as directed by the budget administrator
20 of the budget division of the Department of Administrative Services.

21 Sec. 6. The State Treasurer shall transfer \$3,300,000 from the
22 General Fund to the Water Resources Cash Fund on or before June 30, 2019,
23 on such dates and in such amounts as directed by the budget administrator
24 of the budget division of the Department of Administrative Services.

25 Sec. 7. There is hereby created the Shared Services Revolving Fund.
26 The fund shall be administered by the Department of Administrative
27 Services. The fund shall consist of money received from state agencies,
28 boards, commissions, political subdivisions, and other governmental
29 entities for shared services provided by the department. Shared services
30 include, but are not limited to, human resource management including
31 payroll processing, process improvement projects, and financial services.

1 Billings for shared services shall be adequate to cover actual and
2 necessary expenses associated with providing these services. The fund
3 shall be used to pay for the administrative expenses incurred by the
4 department to provide such services. Any money in the fund available for
5 investment shall be invested by the state investment officer pursuant to
6 the Nebraska Capital Expansion Act and the Nebraska State Funds
7 Investment Act.

8 Sec. 8. There is hereby created the Combined Law Enforcement
9 Information Network Cash Fund. The fund shall be maintained by the
10 Nebraska State Patrol and administered by the Superintendent of Law
11 Enforcement and Public Safety. The fund shall consist of fees collected
12 by the Nebraska State Patrol from users of the network and shall be used
13 to pay the costs of operating, maintaining, and enhancing the network.
14 Any money in the fund available for investment shall be invested by the
15 state investment officer pursuant to the Nebraska Capital Expansion Act
16 and the Nebraska State Funds Investment Act.

17 Sec. 9. There is hereby created the Treasury Agency Forfeitures
18 Cash Fund. All forfeitures and proceeds received by the Nebraska State
19 Patrol under the federal equitable sharing provisions distributed by
20 federal Treasury agencies as of July 1, 2017, shall be deposited in the
21 fund. This section shall not apply to funds otherwise subject to sections
22 28-431 and 28-1439.02. The fund shall be used only in accordance with the
23 applicable requirements of the federal government. The fund shall be
24 administered by the Superintendent of Law Enforcement and Public Safety.
25 Any money in the fund available for investment shall be invested by the
26 state investment officer pursuant to the Nebraska Capital Expansion Act
27 and the Nebraska State Funds Investment Act.

28 Sec. 10. Section 7-209, Revised Statutes Cumulative Supplement,
29 2016, is amended to read:

30 7-209 The Legal Education for Public Service and Rural Practice Loan
31 Repayment Assistance Fund is created. The fund shall consist of funds

1 appropriated or transferred by the Legislature, funds donated to the
2 legal education for public legal service and rural practice loan
3 repayment assistance program pursuant to section 7-208, and application
4 fees collected under the Legal Education for Public Service and Rural
5 Practice Loan Repayment Assistance Act. Any money in the Legal Education
6 for Public Service Loan Repayment Fund on July 18, 2014, shall be
7 transferred to the Legal Education for Public Service and Rural Practice
8 Loan Repayment Assistance Fund. Any money in the fund available for
9 investment 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 The unexpended, unobligated balance in the Legal Education for
13 Public Service and Rural Practice Loan Repayment Assistance Fund existing
14 on June 30, 2017, shall be transferred to the General Fund on or before
15 July 30, 2017, as directed by the budget administrator of the budget
16 division of the Department of Administrative Services.

17 Sec. 11. Section 24-231, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 24-231 The Supreme Court Attorney Services Cash Fund is created. The
20 fund shall be under the control of the Supreme Court and administered by
21 the State Court Administrator. The fund shall consist of mandatory
22 assessments and fees, grants, donations, and gifts. The fund shall be
23 used for expenses related to regulation of the practice of law in
24 Nebraska.

25 The State Treasurer shall transfer one hundred eighteen thousand
26 seven hundred fourteen dollars from the Supreme Court Attorney Services
27 Cash Fund to the Nebraska Retirement Fund for Judges on July 1, 2017, or
28 as soon as administratively possible thereafter.

29 The State Treasurer shall transfer nine hundred seventy-nine
30 thousand dollars from the Supreme Court Attorney Services Cash Fund to
31 the Nebraska Retirement Fund for Judges on July 1, 2018, or as soon as

1 administratively possible thereafter.

2 Any money in the fund available for investment shall be invested by
3 the state investment officer pursuant to the Nebraska Capital Expansion
4 Act and the Nebraska State Funds Investment Act. Interest earned shall be
5 credited back to the fund.

6 Sec. 12. Section 29-4115.01, Reissue Revised Statutes of Nebraska,
7 is amended to read:

8 29-4115.01 The State DNA Sample and Data Base Fund is created. The
9 fund shall be maintained by the Nebraska State Patrol and administered by
10 the Superintendent of Law Enforcement and Public Safety Department ~~of~~
11 ~~Justice and administered by the Attorney General~~. The fund shall consist
12 of any funds transferred to the fund by the Legislature or made available
13 by any department or agency of the United States Government if so
14 directed by such department or agency. The fund shall be used to pay the
15 expenses of the Department of Correctional Services and the Nebraska
16 State Patrol as needed to collect DNA samples as provided in section
17 29-4106. Any money in the fund available for investment shall be invested
18 by the state investment officer pursuant to the Nebraska Capital
19 Expansion Act and the Nebraska State Funds Investment Act.

20 Sec. 13. Section 47-632, Revised Statutes Cumulative Supplement,
21 2016, is amended to read:

22 47-632 (1) The Community Corrections Uniform Data Analysis Cash Fund
23 is created. Except as provided in subsections (2), ~~and~~ (3), and (4) of
24 this section, the fund shall be within the Nebraska Commission on Law
25 Enforcement and Criminal Justice, shall be administered by the division,
26 and shall only be used to support operations costs and analysis relating
27 to the implementation and coordination of the uniform analysis of crime
28 data pursuant to the Community Corrections Act, including associated
29 information technology projects. The fund shall consist of money
30 collected pursuant to section 47-633.

31 (2) Transfers may be made from the fund to the General Fund at the

1 direction of the Legislature.

2 (3) The State Treasurer shall transfer the following amounts from
3 the Community Corrections Uniform Data Analysis Cash Fund to the Violence
4 Prevention Cash Fund:

5 (a) Two hundred thousand dollars on July 1, 2011, or as soon
6 thereafter as administratively possible; and

7 (b) Two hundred thousand dollars on July 1, 2012, or as soon
8 thereafter as administratively possible.

9 (4) The State Treasurer shall transfer the following amounts from
10 the Community Corrections Uniform Data Analysis Cash Fund to the Nebraska
11 Law Enforcement Training Center Cash Fund:

12 (a) Two hundred thousand dollars on July 1, 2017, or as soon
13 thereafter as administratively possible; and

14 (b) Two hundred thousand dollars on July 1, 2018, or as soon
15 thereafter as administratively possible.

16 (5) ~~(4)~~ Any money in the Community Corrections Uniform Data Analysis
17 Cash Fund available for investment shall be invested by the state
18 investment officer pursuant to the Nebraska Capital Expansion Act and the
19 Nebraska State Funds Investment Act.

20 Sec. 14. Section 61-218, Revised Statutes Cumulative Supplement,
21 2016, is amended to read:

22 61-218 (1) The Water Resources Cash Fund is created. The fund shall
23 be administered by the Department of Natural Resources. Any money in the
24 fund available for investment shall be invested by the state investment
25 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
26 State Funds Investment Act.

27 (2) The State Treasurer shall credit to the fund such money as is
28 (a) transferred to the fund by the Legislature, (b) paid to the state as
29 fees, deposits, payments, and repayments relating to the fund, both
30 principal and interest, (c) donated as gifts, bequests, or other
31 contributions to such fund from public or private entities, (d) made

1 available by any department or agency of the United States if so directed
2 by such department or agency, and (e) allocated pursuant to section
3 81-15,175.

4 (3) The fund shall be expended by the department (a) to aid
5 management actions taken to reduce consumptive uses of water or to
6 enhance streamflows or ground water recharge in river basins, subbasins,
7 or reaches which are deemed by the department overappropriated pursuant
8 to section 46-713 or fully appropriated pursuant to section 46-714 or are
9 bound by an interstate compact or decree or a formal state contract or
10 agreement, (b) for purposes of projects or proposals described in the
11 grant application as set forth in subdivision (2)(h) of section
12 81-15,175, and (c) to the extent funds are not expended pursuant to
13 subdivisions (a) and (b) of this subsection, the department may conduct a
14 statewide assessment of short-term and long-term water management
15 activities and funding needs to meet statutory requirements in sections
16 46-713 to 46-718 and 46-739 and any requirements of an interstate compact
17 or decree or formal state contract or agreement. The fund shall not be
18 used to pay for administrative expenses or any salaries for the
19 department or any political subdivision.

20 (4) It is the intent of the Legislature that three million three
21 hundred thousand dollars be transferred each fiscal year from the General
22 Fund to the Water Resources Cash Fund for FY2011-12 through FY2018-19,
23 except that for FY2012-13 it is the intent of the Legislature that four
24 million seven hundred thousand dollars be transferred from the General
25 Fund to the Water Resources Cash Fund.

26 (5)(a) Expenditures from the Water Resources Cash Fund may be made
27 to natural resources districts eligible under subsection (3) of this
28 section for activities to either achieve a sustainable balance of
29 consumptive water uses or assure compliance with an interstate compact or
30 decree or a formal state contract or agreement and shall require a match
31 of local funding in an amount equal to or greater than forty percent of

1 the total cost of carrying out the eligible activity. The department
2 shall, no later than August 1 of each year, beginning in 2007, determine
3 the amount of funding that will be made available to natural resources
4 districts from the Water Resources Cash Fund and notify natural resources
5 districts of this determination. The department shall adopt and
6 promulgate rules and regulations governing application for and use of the
7 Water Resources Cash Fund by natural resources districts. Such rules and
8 regulations shall, at a minimum, include the following components:

9 (i) Require an explanation of how the planned activity will achieve
10 a sustainable balance of consumptive water uses or will assure compliance
11 with an interstate compact or decree or a formal state contract or
12 agreement as required by section 46-715 and the controls, rules, and
13 regulations designed to carry out the activity; and

14 (ii) A schedule of implementation of the activity or its components,
15 including the local match as set forth in subdivision (5)(a) of this
16 section.

17 (b) Any natural resources district that fails to implement and
18 enforce its controls, rules, and regulations as required by section
19 46-715 shall not be eligible for funding from the Water Resources Cash
20 Fund until it is determined by the department that compliance with the
21 provisions required by section 46-715 has been established.

22 (6) The Department of Natural Resources shall submit electronically
23 an annual report to the Legislature no later than October 1 of each year,
24 beginning in the year 2007, that shall detail the use of the Water
25 Resources Cash Fund in the previous year. The report shall provide:

26 (a) Details regarding the use and cost of activities carried out by
27 the department; and

28 (b) Details regarding the use and cost of activities carried out by
29 each natural resources district that received funds from the Water
30 Resources Cash Fund.

31 (7)(a) Prior to the application deadline for fiscal year 2011-12,

1 the Department of Natural Resources shall apply for a grant of nine
2 million nine hundred thousand dollars from the Nebraska Environmental
3 Trust Fund, to be paid out in three annual installments of three million
4 three hundred thousand dollars. The purposes listed in the grant
5 application shall be consistent with the uses of the Water Resources Cash
6 Fund provided in this section and shall be used to aid management actions
7 taken to reduce consumptive uses of water, to enhance streamflows, to
8 recharge ground water, or to support wildlife habitat in any river basin
9 determined to be fully appropriated pursuant to section 46-714 or
10 designated as overappropriated pursuant to section 46-713.

11 (b) If the application is granted, funds received from such grant
12 shall be remitted to the State Treasurer for credit to the Water
13 Resources Cash Fund for the purpose of supporting the projects set forth
14 in the grant application. The department shall include in its grant
15 application documentation that the Legislature has authorized a transfer
16 of three million three hundred thousand dollars from the General Fund
17 into the Water Resources Cash Fund for each of fiscal years 2011-12 and
18 2012-13 and has stated its intent to transfer three million three hundred
19 thousand dollars to the Water Resources Cash Fund for fiscal year
20 2013-14.

21 (c) It is the intent of the Legislature that the department apply
22 for an additional three-year grant that would begin in fiscal year
23 2014-15 and an additional three-year grant from the Nebraska
24 Environmental Trust Fund that would begin in fiscal year 2017-18 if the
25 criteria established in subsection (4) of section 81-15,175 are achieved.

26 (8) The department shall establish a subaccount within the Water
27 Resources Cash Fund for the accounting of all money received as a grant
28 from the Nebraska Environmental Trust Fund as the result of an
29 application made pursuant to subsection (7) of this section. At the end
30 of each calendar month, the department shall calculate the amount of
31 interest earnings accruing to the subaccount and shall notify the State

1 Treasurer who shall then transfer a like amount from the Water Resources
2 Cash Fund to the Nebraska Environmental Trust Fund.

3 Sec. 15. Section 66-1519, Revised Statutes Cumulative Supplement,
4 2016, is amended to read:

5 66-1519 (1) There is hereby created the Petroleum Release Remedial
6 Action Cash Fund to be administered by the department. Revenue from the
7 following sources shall be remitted to the State Treasurer for credit to
8 the fund:

9 (a) The fees imposed by sections 66-1520 and 66-1521;

10 (b) Money paid under an agreement, stipulation, cost-recovery award
11 under section 66-1529.02, or settlement; and

12 (c) Money received by the department in the form of gifts, grants,
13 reimbursements, property liquidations, or appropriations from any source
14 intended to be used for the purposes of the fund.

15 (2) Money in the fund may be spent for: (a) Reimbursement for the
16 costs of remedial action by a responsible person or his or her designated
17 representative and costs of remedial action undertaken by the department
18 in response to a release first reported after July 17, 1983, and on or
19 before June 30, 2020, including reimbursement for damages caused by the
20 department or a person acting at the department's direction while
21 investigating or inspecting or during remedial action on property other
22 than property on which a release or suspected release has occurred; (b)
23 payment of any amount due from a third-party claim; (c) fee collection
24 expenses incurred by the State Fire Marshal; (d) direct expenses incurred
25 by the department in carrying out the Petroleum Release Remedial Action
26 Act; (e) other costs related to fixtures and tangible personal property
27 as provided in section 66-1529.01; (f) interest payments as allowed by
28 section 66-1524; (g) claims approved by the State Claims Board authorized
29 under section 66-1531; ~~and~~ (h) the direct and indirect costs incurred by
30 the department in responding to spills and other environmental
31 emergencies related to petroleum or petroleum products; and (i) to pay up

1 to one million five hundred thousand dollars each fiscal year of the
2 department's cost share obligations and operation and maintenance
3 obligations under the federal Comprehensive Environmental Response,
4 Compensation, and Liability Act of 1980, 42 U.S.C. 9601 et seq.

5 (3) Transfers may be made from the Petroleum Release Remedial Action
6 Cash Fund to the General Fund at the direction of the Legislature.—The
7 State Treasurer shall transfer one million five hundred thousand dollars
8 from the Petroleum Release Remedial Action Cash Fund to the Ethanol
9 Production Incentive Cash Fund on July 1 of each of the following years:
10 2004 through 2011.

11 (4) Transfers may be made from the Petroleum Release Remedial Action
12 Cash Fund to the Superfund Cost Share Cash Fund at the direction of the
13 Legislature.

14 (5) (4) Any money in the Petroleum Release Remedial Action Cash Fund
15 available for investment shall be invested by the state investment
16 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
17 State Funds Investment Act.

18 Sec. 16. Section 71-1001, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 71-1001 The heads of the anatomy departments of the medical schools
21 and colleges of this state, one professor of anatomy appointed by the
22 head of the anatomy department from each medical school or college of
23 this state, one professor of anatomy appointed from each dental school or
24 college of this state, and one layperson appointed by the Department of
25 Health and Human Services shall constitute the State Anatomical Board of
26 the State of Nebraska for the distribution, delivery, and use of certain
27 dead human bodies, described in section 71-1002, to and among such
28 schools, colleges, and persons as are entitled thereto under the
29 provisions of such section. The board shall have power to establish rules
30 and regulations for its government and for the collection, storage, and
31 distribution of dead human bodies for anatomical purposes. It shall have

1 power to appoint and remove its officers and agents. It shall keep
2 minutes of its meetings. It shall cause a record to be kept of all of its
3 transactions, of bodies received and distributed by it, and of the
4 school, college, or person receiving every such body, and its records
5 shall be open at all times to the inspection of each member of the board
6 and to every county attorney within this state.

7 There is hereby created the State Anatomical Board Cash Fund. The
8 fund shall be under the University of Nebraska Medical Center for
9 accounting and budgeting purposes only. The fund shall consist of revenue
10 collected by the State Anatomical Board and shall only be used to pay for
11 costs of operating the board. Any money in the fund available for
12 investment shall be invested by the state investment officer pursuant to
13 the Nebraska Capital Expansion Act and the Nebraska State Funds
14 Investment Act.

15 Sec. 17. Section 72-1001, Revised Statutes Cumulative Supplement,
16 2016, is amended to read:

17 72-1001 The Nebraska Capital Construction Fund is created. The fund
18 shall consist of revenue and transfers credited to the fund as authorized
19 by law. Money shall be appropriated from the fund to state agencies for
20 making payments on projects as determined by the Legislature, including,
21 but not limited to, purchases of land, structural improvements to land,
22 acquisition of buildings, construction of buildings, including
23 architectural and engineering costs, replacement of or major repairs to
24 structural improvements to land or buildings, additions to existing
25 structures, remodeling of buildings, and acquisition of equipment and
26 furnishings of new or remodeled buildings. The fund shall be administered
27 by the State Treasurer as a multiple-agency-use fund and appropriated to
28 state agencies as determined by the Legislature. Transfers may be made
29 from the fund to the Capitol Restoration Cash Fund at the direction of
30 the Legislature. Any money in the fund available for investment shall be
31 invested by the state investment officer pursuant to the Nebraska Capital

1 Expansion Act and the Nebraska State Funds Investment Act.

2 ~~The State Treasurer shall transfer four million five hundred~~
3 ~~seventy-four thousand four hundred sixty-six dollars from the Nebraska~~
4 ~~Capital Construction Fund to the General Fund on or before June 30, 2010,~~
5 ~~on such date as directed by the budget administrator of the budget~~
6 ~~division of the Department of Administrative Services.~~

7 Sec. 18. Section 72-2211, Revised Statutes Cumulative Supplement,
8 2016, is amended to read:

9 72-2211 The Capitol Restoration Cash Fund is created. The
10 administrator shall administer the fund, which shall consist of money
11 received from the sale of material, rental revenue, private donations,
12 and public donations, and transfers from the Nebraska Capital
13 Construction Fund as directed by the Legislature. The fund shall be used
14 to finance projects to restore the State Capitol and capitol grounds to
15 their original condition, to purchase and conserve items to be added to
16 the Nebraska Capitol Collections housed in the State Capitol, ~~and~~ to
17 produce promotional material concerning the State Capitol, its grounds,
18 and the Nebraska State Capitol Environs District, and to pay the
19 expenditures for a project manager to the Capitol Heating, Ventilation,
20 and Air Conditioning Systems Replacement Project until such time as the
21 project is completed, except that transfers may be made from the fund to
22 the General Fund at the direction of the Legislature. Such expenditures
23 shall be prescribed by the administrator and approved by the commission.
24 Any money in the Capitol Restoration Cash Fund available for investment
25 shall be invested by the state investment officer pursuant to the
26 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
27 Act.

28 Sec. 19. Section 81-15,175, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 81-15,175 (1) The board may make an annual allocation each fiscal
31 year from the Nebraska Environmental Trust Fund to the Nebraska

1 Environmental Endowment Fund as provided in section 81-15,174.01. The
2 board shall make annual allocations from the Nebraska Environmental Trust
3 Fund and may make annual allocations each fiscal year from the Nebraska
4 Environmental Endowment Fund for projects which conform to the
5 environmental categories of the board established pursuant to section
6 81-15,176 and to the extent the board determines those projects to have
7 merit. The board shall establish a calendar annually for receiving and
8 evaluating proposals and awarding grants. To evaluate the economic,
9 financial, and technical feasibility of proposals, the board may
10 establish subcommittees, request or contract for assistance, or establish
11 advisory groups. Private citizens serving on advisory groups shall be
12 reimbursed for their actual and necessary expenses pursuant to sections
13 81-1174 to 81-1177.

14 (2) The board shall establish rating systems for ranking proposals
15 which meet the board's environmental categories and other criteria. The
16 rating systems shall include, but not be limited to, the following
17 considerations:

18 (a) Conformance with categories established pursuant to section
19 81-15,176;

20 (b) Amount of funds committed from other funding sources;

21 (c) Encouragement of public-private partnerships;

22 (d) Geographic mix of projects over time;

23 (e) Cost-effectiveness and economic impact;

24 (f) Direct environmental impact;

25 (g) Environmental benefit to the general public and the long-term
26 nature of such public benefit; and

27 (h) Applications recommended by the Director of Natural Resources
28 and submitted by the Department of Natural Resources pursuant to
29 subsection (7) of section 61-218 shall be awarded fifty priority points
30 in the ranking process for the 2011 grant application if the Legislature
31 has authorized annual transfers of three million three hundred thousand

1 dollars to the Water Resources Cash Fund for each of fiscal years 2011-12
2 and 2012-13 and has stated its intent to transfer three million three
3 hundred thousand dollars to the Water Resources Cash Fund in fiscal year
4 2013-14. Priority points shall be awarded if the proposed programs set
5 forth in the grant application are consistent with the purposes of
6 reducing consumptive uses of water, enhancing streamflows, recharging
7 ground water, or supporting wildlife habitat in any river basin
8 determined to be fully appropriated pursuant to section 46-714 or
9 designated as overappropriated pursuant to section 46-713.

10 (3) A grant awarded under this section pursuant to an application
11 made under subsection (7) of section 61-218 shall be paid out in the
12 following manner:

13 (a) The initial three million three hundred thousand dollar
14 installment shall be remitted to the State Treasurer for credit to the
15 Water Resources Cash Fund no later than fifteen business days after the
16 date that the grant is approved by the board;

17 (b) The second three million three hundred thousand dollar
18 installment shall be remitted to the State Treasurer for credit to the
19 Water Resources Cash Fund no later than May 15, 2013; and

20 (c) The third three million three hundred thousand dollar
21 installment shall be remitted to the State Treasurer for credit to the
22 Water Resources Cash Fund no later than May 15, 2014, if the Legislature
23 has authorized a transfer of three million three hundred thousand dollars
24 from the General Fund to the Water Resources Cash Fund for fiscal year
25 2013-14.

26 (4) It is the intent of the Legislature that the Department of
27 Natural Resources apply for an additional three-year grant from the
28 Nebraska Environmental Trust Fund that would begin in fiscal year 2014-15
29 and a three-year grant that would begin in fiscal year 2017-18 and such
30 application shall be awarded fifty priority points in the ranking process
31 as set forth in subdivision (2)(h) of this section if the following

1 criteria are met:

2 (a) The Natural Resources Committee of the Legislature has examined
3 options for water funding and has submitted a report electronically to
4 the Clerk of the Legislature and the Governor by December 1, 2012,
5 setting forth:

6 (i) An outline and priority listing of water management and funding
7 needs in Nebraska, including instream flows, residential, agricultural,
8 recreational, and municipal needs, interstate obligations, water quality
9 issues, and natural habitats preservation;

10 (ii) An outline of statewide funding options which create a
11 dedicated, sustainable funding source to meet the needs set forth in the
12 report; and

13 (iii) Recommendations for legislation;

14 (b) The projects and activities funded by the department through
15 grants from the Nebraska Environmental Trust Fund under this section have
16 resulted in enhanced streamflows, reduced consumptive uses of water,
17 recharged ground water, supported wildlife habitat, or otherwise
18 contributed towards conserving, enhancing, and restoring Nebraska's
19 ground water and surface water resources. On or before July 1, 2014, the
20 department shall submit electronically a report to the Natural Resources
21 Committee of the Legislature providing demonstrable evidence of the
22 benefits accrued from such projects and activities; and

23 (c) In addition to the grant reporting requirements of the trust, on
24 or before July 1, 2014, the department provides to the board a report
25 which includes documentation that:

26 (i) Expenditures from the Water Resources Cash Fund made to natural
27 resources districts have met the matching fund requirements provided in
28 subdivision (5)(a) of section 61-218;

29 (ii) Ten percent or less of the matching fund requirements has been
30 provided by in-kind contributions for expenses incurred for projects
31 enumerated in the grant application. In-kind contributions shall not

1 include land or land rights; and

2 (iii) All other projects and activities funded by the department
3 through grants from the Nebraska Environmental Trust Fund under this
4 section were matched not less than forty percent of the project or
5 activity cost by other funding sources.

6 (5) The board may establish a subcommittee to rate grant
7 applications. If the board uses a subcommittee, the meetings of such
8 subcommittee shall be subject to the Open Meetings Act. The subcommittee
9 shall (a) use the rating systems established by the board under
10 subsection (2) of this section, (b) assign a numeric value to each rating
11 criterion, combine these values into a total score for each application,
12 and rank the applications by the total scores, (c) recommend an amount of
13 funding for each application, which amount may be more or less than the
14 requested amount, and (d) submit the ranked list and recommended funding
15 to the board for its approval or disapproval.

16 (6) The board may commit funds to multiyear projects, subject to
17 available funds and appropriations. No commitment shall exceed three
18 years without formal action by the board to renew the grant or contract.
19 Multiyear commitments may be exempt from the rating process except for
20 the initial application and requests to renew the commitment.

21 (7) The board shall adopt and promulgate rules and regulations and
22 publish guidelines governing allocations from the fund. The board shall
23 conduct annual reviews of existing projects for compliance with project
24 goals and grant requirements.

25 (8) Every five years the board may evaluate the long-term effects of
26 the projects it funds. The evaluation may assess a sample of such
27 projects. The board may hire an independent consultant to conduct the
28 evaluation and may report the evaluation findings to the Legislature and
29 the Governor. The report submitted to the Legislature shall be submitted
30 electronically.

31 Sec. 20. Original sections 24-231, 29-4115.01, 71-1001, and

1 81-15,175, Reissue Revised Statutes of Nebraska, and sections 7-209,
2 47-632, 61-218, 66-1519, 72-1001, and 72-2211, Revised Statutes
3 Cumulative Supplement, 2016, are repealed.

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