

ONE HUNDRED SIXTH LEGISLATURE - FIRST SESSION - 2019
COMMITTEE STATEMENT
LB298

Hearing Date: Tuesday February 26, 2019
Committee On: Appropriations
Introducer: Speaker Scheer
One Liner: Repeal funds and authorize, provide, change, and eliminate fund transfer provisions

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 7 Senators Bolz, Dorn, Hilkemann, McDonnell, Stinner, Vargas, Wishart
Nay: 2 Senators Clements, Erdman
Absent:
Present Not Voting:

Oral Testimony:

Proponents:
Gerry Oligmueller

Representing:
Introducer - Governor's Office

Opponents:

Representing:

Neutral:
Renee Fry

Representing:
Open Sky Policy Institute

Summary of purpose and/or changes:

Section 1 and 2 transfer \$272 million from the General Fund to the Property Tax Credit Cash Fund on or before December 15, 2019 and 2020, respectively.

Section 3 and 4 transfer \$11 million from the General Fund to the Water Sustainability Fund on or before June 30, 2020 and 2021, respectively.

Section 5 and 6 transfer \$3.3 million from the General Fund to the Water Resources Cash Fund on or before June 30, 2020 and 2021, respectively.

Section 7 transfers the balance of the Accounting Division Cash Fund to the Election Administration Fund on or before June 30, 2020.

Section 8 transfers \$255,540 from the Records Management Cash Fun to the Election Administration Fund on or before June 30, 2020.

Section 9 transfers \$10,594 from the Records Management Cash Fund to the Election Administration Fund on or before June 30, 2021.

Section 10 transfers \$55,290 from the Nebraska Collection Agency Fund to the Secretary of State Administration Cash Fund on or before June 30, 2020.

Section 11 transfers the remaining balance of human resources management system assessment revenue plus related accumulated interest from the Personnel Division Revolving Fund to the Accounting Division Revolving Fund on or before June 30, 2020.

Section 12 amends the Collection Agency Act to allow for transfers from the Nebraska Collection Agency Fund to the Secretary of State Administration Cash Fund.

Section 13 amends 61-218 to allow for an additional 3 year grant from the Nebraska Environmental Trust Fund that would begin in fiscal year 2020-21.

Section 14 amends 71-7611 which directs ongoing transfers to the Health Care Cash Fund from the Nebraska Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco Settlement Trust Fund.

Section 15 amends 81-15,175 to harmonize it with Section 13's additional 3 year grant provision.

Section 16 amends section 84-1227 to allow for the transfers from the Records Management Cash Fund to the Election Administration Fund in sections 8 and 9.

Section 17 amends 86-563 by striking a provision that proceeds from agreements with other state and local governments, the federal government, or private-sector entities for the purpose of sale, lease, or licensing for third-party resale of applications and system design shall be deposited into the Data Systems Cash Fund.

Section 18 is the repealer section.

Section 19 is an outright repeal of 81-1327 (World Day on the Mall Cash Fund created) and 86-556 (Data Systems Cash Fund created).

Section 20 is the Emergency Clause.

Explanation of amendments:

Section 1 and 2 are amended to reduce the General Fund transfers to the Property Tax Credit Fund to \$247 million each year, on or before December 15.

Sections 3 and 4 transfer \$25 million each year from the General Fund to the Cash Reserve Fund on or before June 30.

Section 5 and 6 retain the \$11 million transfer each year from the General Fund to the Water Sustainability Fund on or before June 30.

Section 7 and 8 retain the \$3.3 million transfer each year from the General Fund to the Water Resources Cash Fund on or before June 30.

Sections 9 retains the transfer from the Accounting Divisions Cash Fund to the Election Administration Fund.

The original sections 8 and 9 from the green copy of the bill are removed in the Committee amendment. These provisions are being addressed with General Funds in the Mainline Budget amendment (LB 294).

Section 10 and 11 are unchanged.

Section 12 and 13 transfer an amount not to exceed \$500,000 from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31 each year.

This transfer is pursuant to subsections (3) and (4) of section 82-331.

Section 14 adds language to 2-4018 stating repayments relating to the Grain Sorghum Development, Utilization, and

Marketing Fund, including license fees or royalties, which shall be credited to the fund for the uses and purposes of the Grain Sorghum Resources Act and its enforcement. This language is consistent with cash fund language established in law for other agricultural commodity boards.

Section 15 requires the transfer of \$100,000 from the Charitable Gaming Operations Fund to the Compulsive Gamblers Assistance Fund beginning July 1, 2019 on or before the last day of the last month of each calendar quarter. The resulting net increase to the Compulsive Gamblers Assistance Fund is \$300,000 each year.

Section 16 is the green copy's section 12.

Section 17 is the green copy's section 13.

Section 18 amends 66-1334 related to the Agricultural Alcohol Fuel Tax Fund. Amended language strikes verbiage regarding the lapse of federal funds or other funds solicited in conjunction with research or demonstration programs. Additionally, language allowing for transfers to the Ethanol Production Incentive Cash Fund is stricken.

Section 19 contains the provisions of the green copy's section 14. The dollar amounts for transfers into the Health Care Cash Fund are adjusted to provide for funding issues in the amended mainline budget.

Section 20 amends 81-1426.01 by striking language regarding Legislative intent to appropriate \$500,000 to the County Justice Reinvestment Grant Program. LB 446 contained provisions for appropriating additional funds for the County Justice Reinvestment Grant Program, but the program has never expended its entire appropriation. In addition, language is added to allow funds to be used to supplement existing programs, services, and approaches to reduce jail populations and costs. Finally, language is added so that any aid not distributed to counties shall be retained by the Crime Commission to be distributed on a competitive basis to counties demonstrating additional need in the funding areas identified in this section. (Introducer - Senator McDonnell; Proponents - Lancaster County Community Corrections; Region 6 Behavioral Healthcare; Lancaster County Board; Nebraska Association of County Officials; Sarpy County Board of Commissioners; Opponent - None; Neutral - None).

Section 21 is the green copy's section 15 harmonizing language related to the additional 3 year grant provision for the Nebraska Environmental Trust Fund.

Section 22 is the green copy's section 16. Additional language is included to allow for expenditures from the Records Management Cash Fund for state agency services.

Section 23 is section 17 from the green copy of the bill.

Section 24 creates the Volkswagen Settlement Cash Fund to be administered by the Department of Environment and Energy. The department shall expend the fund in accordance with the department use plan. The creation of this fund is based upon LB 678, section 1.

Section 25 creates the Grain Sorghum National Checkoff Fund to be administered by the Grain Sorghum Development, Utilization, and Marketing Board. The board shall expend the fund to conduct state-specific programs for research, information, and promotion related to grain sorghum. The fund has been administratively created. This action formalizes the fund in statute.

Sections 26 through 28 are a repealer section, the same outright repeals as found in the green copy of the bill, and the emergency clause.

