

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 780**

FINAL READING

Introduced by Stinner, 48.

Read first time January 08, 2020

Committee: Appropriations

1 A BILL FOR AN ACT relating to the Nebraska Arts Council; to amend  
2 sections 82-312, 82-313, and 82-332, Reissue Revised Statutes of  
3 Nebraska; to provide powers and duties relating to establishment and  
4 certification of creative districts and funding competitive grants;  
5 to change provisions relating to expenditures for administrative  
6 costs for cultural preservation activities; to harmonize provisions;  
7 to provide operative dates; to repeal the original sections; and to  
8 declare an emergency.

9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 82-312, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 82-312 The duties of the council shall be:

4 (1) To stimulate and encourage throughout the state the study and  
5 presentation of the performing and fine arts and public interest and  
6 participation therein;

7 (2) To make such surveys as may be deemed advisable of public and  
8 private institutions within the state engaged in artistic and cultural  
9 activities, including, but not limited to, music, theatre, dance,  
10 painting, sculpture, architecture, and allied arts and crafts, and to  
11 make recommendations concerning appropriate methods to encourage  
12 participation in and appreciation of the arts to meet the legitimate  
13 needs and aspirations of persons in all parts of the state;

14 (3) To take such steps as may be necessary and appropriate to  
15 encourage public interest in the cultural heritage of our state and to  
16 expand the state's cultural resources;~~and~~

17 (4) To encourage and assist freedom of artistic expression essential  
18 for the well-being of the arts; and -

19 (5) To recommend to the Legislature a plan to divide the state into  
20 creative districts and certify them based on geographically contiguous  
21 area, artistic or cultural activities or facilities, promotion and  
22 preservation of artistic or cultural sites or events, educational uses of  
23 artistic or cultural activities or sites, and unique or niche areas,  
24 activities, events, facilities, or sites.

25 Sec. 2. Section 82-313, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 82-313 (1) The Nebraska Arts Council may:

28 (a) Hold ~~(1) hold~~ public and private hearings; -

29 (b) Enter ~~(2) enter~~ into contracts, within the limit of funds  
30 available therefor, with individuals, organizations, and institutions for  
31 services furthering the educational objectives of the council's

1 programs; ~~τ~~

2 (c) Enter ~~(3) enter~~ into contracts, within the limit of funds  
3 available therefor, with local and regional associations for cooperative  
4 endeavors furthering the educational objectives of the council's  
5 programs; ~~τ~~

6 (d) Accept ~~(4) accept~~ gifts, contributions, and bequests of  
7 unrestricted funds from individuals, foundations, corporations, and other  
8 organizations or institutions for the purpose of furthering the  
9 educational objectives of the council's programs; ~~τ~~

10 (e) Distribute ~~(5) distribute~~ funds appropriated by the Legislature  
11 to any organization which has been designated as the state affiliate of  
12 the National Endowment for the Humanities for the period covered by the  
13 appropriation; ~~τ~~

14 (f) Make ~~(6) make~~ and sign any agreements and do and perform any  
15 acts that may be necessary to carry out the purposes of sections 82-309  
16 to 82-316; ~~τ~~

17 (g) Enter ~~(7) enter~~ into contracts, make and sign any agreements,  
18 and perform any acts that may be necessary to stabilize funding for the  
19 arts and humanities and to carry out the intent of sections 82-330 to  
20 82-333; ~~τ~~

21 (h) Prepare a plan that would permit, to the extent that funds are  
22 available, the establishment of a competitive grant program to award a  
23 grant to any creative district that is certified pursuant to the plan  
24 adopted by the Legislature under subdivision (5) of section 82-312 and  
25 that meets the criteria for the competitive grant, including eligibility  
26 criteria, application and appeal processes, conditions on receipt of a  
27 grant, and consequences of failure to meet the conditions; and

28 (i) Adopt and ~~(8) adopt~~ and promulgate rules and regulations to  
29 carry out its powers and duties.

30 (2) The council may request from any department, division, board,  
31 bureau, commission, or agency of the state such assistance and data as

1 will enable it properly to carry out its powers and duties.

2 Sec. 3. Section 82-332, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 82-332 (1) The Nebraska Arts and Humanities Cash Fund is created.  
5 The fund shall consist of all funds credited from the Nebraska Cultural  
6 Preservation Endowment Fund pursuant to section 82-331. The Nebraska Arts  
7 Council shall administer and distribute the Nebraska Arts and Humanities  
8 Cash Fund. The Nebraska Arts Council and may, through the end of fiscal  
9 year 2019-20, use up to thirty thousand dollars annually to defray costs  
10 directly related to the administration of sections 82-330 to 82-333.  
11 Beginning in fiscal year 2020-21 and each fiscal year thereafter, the  
12 Nebraska Arts Council may use from the Nebraska Arts and Humanities Cash  
13 Fund an amount equivalent to one-half of one percent of the balance of  
14 the Nebraska Cultural Preservation Endowment Fund to defray costs  
15 directly related to the administration of sections 82-330 to 82-333. The  
16 annual calculation of the administrative-costs limit shall be carried out  
17 in conjunction with the budget division of the Department of  
18 Administrative Services. The calculation shall be carried out no later  
19 than September 10 of each fiscal year and shall be based upon the balance  
20 of the Nebraska Cultural Preservation Endowment Fund as it existed on  
21 June 30 of the previous year. Expenditures designated as administrative  
22 costs shall not be subject to the private matching fund requirements set  
23 forth in subsection (2) of this section.

24 (2) All disbursements from the Nebraska Arts and Humanities Cash  
25 Fund that are to support arts and humanities projects, endowments, or  
26 programs shall be matched dollar-for-dollar by sources other than state  
27 funds. The match funds shall be new money generated for endowments  
28 established by the Nebraska Arts Council or Nebraska Humanities Council  
29 or qualified endowments of their constituent organizations, new money  
30 generated as a result of seed grants to recipients, or new money  
31 generated by the Nebraska Arts Council or Nebraska Humanities Council for

1 arts or humanities education. Matching funds shall also include earnings  
2 generated by qualified private endowments formed in accordance with this  
3 section. For purposes of this section, new money means a contribution to  
4 a qualified endowment generated after July 1, 2011. Contributions not  
5 fully matched by state funds shall be carried forward to succeeding years  
6 and remain available to provide a dollar-for-dollar match for state  
7 funds. For an endowment to be a qualified endowment (a) the endowment  
8 must meet the standards set by the Nebraska Arts Council or Nebraska  
9 Humanities Council, (b) the endowment must be intended for long-term  
10 stabilization of the organization, and (c) the funds of the endowment  
11 must be endowed and only the earnings thereon expended. An organization  
12 is a constituent organization if it receives funding from the Nebraska  
13 Arts Council or Nebraska Humanities Council and is tax exempt under  
14 section 501 of the Internal Revenue Code. The match funds required by  
15 this section shall not include in-kind contributions. The budget division  
16 of the Department of Administrative Services shall approve allotment and  
17 disbursement of funds from the Nebraska Arts and Humanities Cash Fund  
18 that are governed by this subsection only to the extent the Nebraska Arts  
19 Council has provided documentation of the dollar-for-dollar match  
20 required by this section. Funds from the Nebraska Arts and Humanities  
21 Cash Fund may be used for the purpose of obtaining challenge grants from  
22 the National Endowment for the Humanities or the National Endowment for  
23 the Arts.

24 (3) Rules and regulations of the Nebraska Arts Council shall provide  
25 that the ultimate use of disbursements from the Nebraska Arts and  
26 Humanities Cash Fund authorized under subsection (2) of this section  
27 shall be in a ratio of seventy percent to projects, endowments, or  
28 programs designated by the Nebraska Arts Council and thirty percent to  
29 projects, endowments, or programs designated by the Nebraska Humanities  
30 Council.

31 (4) Any money in the fund available for investment shall be invested

1 by the state investment officer pursuant to the Nebraska Capital  
2 Expansion Act and the Nebraska State Funds Investment Act.

3       Sec. 4. Sections 1, 2, and 5 of this act become operative three  
4 calendar months after the adjournment of this legislative session. The  
5 other sections of this act become operative on their effective date.

6       Sec. 5. Original sections 82-312 and 82-313, Reissue Revised  
7 Statutes of Nebraska, are repealed.

8       Sec. 6. Original section 82-332, Reissue Revised Statutes of  
9 Nebraska, is repealed.

10       Sec. 7. Since an emergency exists, this act takes effect when  
11 passed and approved according to law.