

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 713**

Introduced by Vargas, 7.

Read first time January 23, 2019

Committee: Executive Board

- 1 A BILL FOR AN ACT relating to the Legislature; to amend section 50-419,  
2 Reissue Revised Statutes of Nebraska; to state findings; to provide  
3 duties for the Legislative Fiscal Analyst; and to repeal the  
4 original section.  
5 Be it enacted by the people of the State of Nebraska,

1           Section 1. The Legislature finds and declares that:

2           (1) Research conducted since 2009 by the University of Nebraska at  
3 the request of the Legislature's Planning Committee shows (a) the  
4 population of Nebraska is becoming more concentrated in the most populous  
5 counties, with two-thirds of the counties showing dramatic and sustained  
6 population loss, (b) the population of Nebraska is aging, and (c) the  
7 population of Nebraska is becoming more racially and ethnically diverse;

8           (2) It is in the best interest of the economy of Nebraska to  
9 anticipate long-term fiscal trends;

10           (3) The Legislative Fiscal Analyst, in partnership with the  
11 Legislature's Planning Committee and the University of Nebraska, has a  
12 tool to project the long-term fiscal impact of revenue and expenditure  
13 measures and changes in federal policy; and

14           (4) The state is constitutionally prohibited from incurring debt,  
15 which, due to downturns in revenue, has caused the Legislature to deplete  
16 the cash reserves by more than one-half during the last two biennial  
17 budgets. The restoration of cash reserves over the next two biennial  
18 budgets is essential if the state is to meet its obligations and adapt to  
19 the challenges projected by data accumulated by the Legislature's  
20 Planning Committee.

21           Sec. 2. Section 50-419, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23           50-419 (1) The Legislative Fiscal Analyst shall provide fiscal and  
24 budgetary information and assistance to the Legislature and the  
25 Appropriations Committee. During sessions of the Legislature he or she  
26 shall work under the direction of the Appropriations Committee of the  
27 Legislature. During the interim between legislative sessions he or she  
28 shall work under the direction of the Executive Board of the Legislative  
29 Council.

30           The Legislative Fiscal Analyst shall provide:

31           (a) Factual information and recommendations concerning the financial

1 operations of state government;

2 (b) Evaluation of the requests for appropriations contained in the  
3 executive budget and recommendations thereon;

4 (c) Studies of capital outlay needs for the orderly and coordinated  
5 development of state institutions and institutional programs authorized,  
6 if not otherwise provided by law; ~~and~~

7 (d) Plans for legislative appropriation and control of funds, with  
8 pre-session analysis of budgetary requirements; and -

9 (e) The following cycle of analyses of long-term fiscal  
10 sustainability, beginning in FY2020-21:

11 (i) In even-numbered years, the joint revenue volatility report  
12 required under section 50-419.02;

13 (ii) In odd-numbered years, a budget stress test comparing estimated  
14 future revenue to and expenditure from major funds and tax types under  
15 various potential economic conditions; and

16 (iii) Every four years, a long-term budget for programs appropriated  
17 for major funds and tax types.

18 (2) His or her duties shall also include examining or auditing  
19 functions or services authorized by the Legislature to determine if funds  
20 are expended according to legislative intent and whether improvements in  
21 organization and performance are possible. The examining function shall  
22 also include the appraisal of functions for needed reforms.

23 (3) His or her duties shall be to coordinate his or her activities  
24 with the budget officer of the Department of Administrative Services.

25 (4) All information and reports of the fiscal analyst and  
26 Appropriations Committee shall be available to any and all members of the  
27 Legislature.

28 (5) The Legislative Fiscal Analyst shall provide revenue-forecasting  
29 information and assistance to the Legislature, the Revenue Committee of  
30 the Legislature, and the Appropriations Committee of the Legislature. For  
31 the purposes of this subsection, he or she shall work under the direction

1 of the Revenue Committee of the Legislature and the Appropriations  
2 Committee of the Legislature. The revenue-forecasting information  
3 provided under this subsection shall include:

4 (a) The estimated revenue receipts for each year of the following  
5 biennium, including comparisons of current estimates for: ÷

6 (i) Each major tax type to long-term trends for that tax type;

7 (ii) Federal fund receipts to long-term federal fund trends; and

8 (iii) Tax collections and federal fund receipts to long-term trends;

9 (b) General Fund reserve requirements;

10 (c) A list of express obligations; and

11 (d) A summary of economic conditions affecting the State of  
12 Nebraska.

13 Sec. 3. Original section 50-419, Reissue Revised Statutes of  
14 Nebraska, is repealed.