

LEGISLATIVE BILL 379

Approved by the Governor April 26, 2021

Introduced by Speaker Hilgers, 21; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend Laws 2019, LB294, sections 93, 106, 108, 159, 181, 182, and 261; and Laws 2020, LB1008, sections 49, 50, 51, 52, 53, 54, and 55; to define terms; to provide, change, and eliminate appropriations for operation of state government; to change fund transfers; to repeal the original sections; and to declare an emergency.

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

Section 1. DEFINITION OF APPROPRIATION PERIOD.

For purposes of this act and any other legislative bill passed by the One Hundred Seventh Legislature, First or Second Session, which appropriates funds, FY2019-20 means the period July 1, 2019, through June 30, 2020; FY2020-21 means the period July 1, 2020, through June 30, 2021; FY2021-22 means the period July 1, 2021, through June 30, 2022; FY2022-23 means the period July 1, 2022, through June 30, 2023; FY2023-24 means the period July 1, 2023, through June 30, 2024; and FY2024-25 means the period July 1, 2024, through June 30, 2025.

Sec. 2. APPROPRIATION LANGUAGE.

There are hereby appropriated, for FY2019-20 and FY2020-21, the sums set forth in this act to each agency for each program from the respective funds for the general operations of state government, postsecondary education, capital construction, and state aid, except as otherwise appropriated.

Sec. 3. UNEXPENDED BALANCES AND CERTIFIED ENCUMBRANCES.

All General Fund appropriations existing on June 30, 2019, in excess of expended and certified encumbrance amounts are hereby lapsed unless otherwise provided. All Cash Fund and Revolving Fund appropriations existing on June 30, 2019, in excess of expended and certified encumbrance amounts are hereby lapsed unless otherwise expressly provided. All certified encumbrance amounts on June 30, 2019, and June 30, 2020, are hereby reappropriated for FY2019-20 and FY2020-21, respectively, which amounts shall be in addition to the amounts shown in this act.

Sec. 4. REAPPROPRIATION OF BALANCES, FY2019-20 to FY2020-21.

In addition to the appropriations set forth in this act, there are hereby reappropriated all unexpended appropriation balances existing on June 30, 2020, for FY2020-21 to the respective agencies, programs, and funds listed in this act, except as otherwise provided in this act.

Sec. 5. NEBRASKA ACCOUNTING SYSTEM MANUAL DEFINITIONS.

The definitions contained in the Nebraska Accounting System Manual, and any amendments thereto, on file with the Clerk of the Legislature are hereby adopted by the Legislature as the definitions for this act, except as provided in section 28 of this act.

Sec. 6. DRAWING AND PAYING WARRANTS.

The Director of Administrative Services shall draw warrants upon the proper fund in the state treasury for an amount not to exceed the appropriations set forth in this act upon presentation of proper documentation. The State Treasurer shall pay the warrants out of the appropriate funds.

Sec. 7. AGENCY NO. 12 – STATE TREASURER

Program No. 149 - Aid to Counties

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	<u>-0-</u>	<u>3,379,472</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>3,379,472</u>

There is included in the appropriation for this program for FY2020-21 \$3,379,472 General Funds, which shall only be used to reimburse counties for the loss of value in the 2020 property tax year due to the assessment of centrally assessed personal property prior to the implementation of Laws 2020, LB1107.

Sec. 8. AGENCY NO. 13 – STATE DEPARTMENT OF EDUCATION

Program No. 25 - Education, Administration, and Support

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>CASH FUND</u>	<u>-0-</u>	<u>886,480</u>
<u>PROGRAM TOTAL</u>	<u>-0-</u>	<u>886,480</u>

Sec. 9. AGENCY NO. 13 – STATE DEPARTMENT OF EDUCATION

Program No. 614 - Professional Practices Commission

	<u>FY2019-20</u>	<u>FY2020-21</u>
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SALARY LIMIT -0- 1,088

Sec. 10. AGENCY NO. 16 – DEPARTMENT OF REVENUE
Program No. 108 - Homestead Exemption

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	-0-	2,000,000
<u>PROGRAM TOTAL</u>	-0-	2,000,000

There is included in the appropriation to this program for FY2020-21 \$2,000,000 General Funds for state aid, which shall only be used for such purpose.

Sec. 11. AGENCY NO. 35 – NEBRASKA LIQUOR CONTROL COMMISSION
Program No. 73 - Licensing and Regulation

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	-0-	3,632,597
<u>CASH FUND</u>	-0-	-0-
<u>PROGRAM TOTAL</u>	-0-	3,632,597
<u>SALARY LIMIT</u>	-0-	-0-

The unexpended General Fund appropriation balance existing on June 30, 2021, is hereby reappropriated.

Sec. 12. AGENCY NO. 36 – STATE RACING COMMISSION
Program No. 81 - Nebraska Racetrack Gaming Act

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	-0-	475,000
<u>PROGRAM TOTAL</u>	-0-	475,000
<u>SALARY LIMIT</u>	-0-	200,000

The unexpended General Fund appropriation balance existing on June 30, 2021, is hereby reappropriated.

Sec. 13. AGENCY NO. 65 – DEPARTMENT OF ADMINISTRATIVE SERVICES
Program No. 594 - State Insurance

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	-0-	150,000
<u>PROGRAM TOTAL</u>	-0-	150,000

Sec. 14. Laws 2019, LB294, section 93, is amended to read:
Sec. 93. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 38 - Behavioral Health Aid

	<u>FY2019-20</u>	<u>FY2020-21</u>
<u>GENERAL FUND</u>	75,388,670	71,995,541
<u>CASH FUND</u>	14,599,660	13,799,660
<u>FEDERAL FUND est.</u>	10,504,971	10,504,971
<u>PROGRAM TOTAL</u>	100,493,301	96,300,172

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$2,000,000, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$75,388,670 General Funds, \$14,599,660 Cash Funds, and \$10,504,971 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$71,995,541 General Funds, \$13,799,660 Cash Funds, and \$10,504,971 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown as Cash Fund aid in this program \$6,500,000 Cash Funds for FY2019-20 and \$6,500,000 Cash Funds for FY2020-21 from the Nebraska Health Care Cash Fund to be used for community-based mental health and substance abuse services, including intermediate-level residential mental health services. It is the intent of the Legislature that these funds shall be distributed to each of the six behavioral health regions based upon a formula determined by the Department of Health and Human Services.

There is included in the amount shown as Cash Fund aid in this program \$2,599,660 Cash Funds for FY2019-20 and \$2,599,660 Cash Funds for FY2020-21 from the Nebraska Health Care Cash Fund to be used for rates paid to providers of mental health and substance abuse services.

There is included in the amount shown as Cash Fund aid in this program \$1,500,000 Cash Funds for FY2019-20 and \$1,500,000 Cash Funds for FY2020-21 from the Nebraska Health Care Cash Fund to be used for the cost of maintenance and treatment of persons in emergency protective custody under the Nebraska Mental Health Commitment Act.

Sec. 15. Laws 2019, LB294, section 106, is amended to read:

Sec. 106. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 424 - Developmental Disability Aid

	FY2019-20	FY2020-21
GENERAL FUND	150,880,903	144,893,404
CASH FUND	6,312,000	6,312,000
PROGRAM TOTAL	157,192,903	151,205,404

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$2,400,000, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$150,880,903 General Funds and \$6,312,000 Cash Funds for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$144,893,404 General Funds and \$6,312,000 Cash Funds for state aid, which shall only be used for such purpose.

There is included in the amount shown as Cash Fund aid in this program for FY2019-20 \$5,000,000 Cash Funds and for FY2020-21 \$5,000,000 Cash Funds from the Nebraska Health Care Cash Fund to be used for services for persons with developmental disabilities (1) who were on the waiting list for such services prior to July 1, 2001, and began receiving such services on and after such date and (2) who are on the waiting list for such services on and after July 1, 2019, beginning with those who have been on the waiting list for the greatest length of time past their date of need.

Sec. 16. Laws 2019, LB294, section 108, is amended to read:

Sec. 108. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 514 - Health Aid

	FY2019-20	FY2020-21
GENERAL FUND	6,114,407	6,114,407
CASH FUND	11,495,817	11,495,817
FEDERAL FUND est.	54,079,725	54,079,725
PROGRAM TOTAL	71,689,949	71,689,949

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$1,900,000, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$6,114,407 General Funds, \$11,495,817 Cash Funds, and \$54,079,725 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$6,114,407 General Funds, \$11,495,817 Cash Funds, and \$54,079,725 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown as aid for this program \$653,759 General Funds for FY2019-20 and \$653,759 General Funds for FY2020-21, which shall only be used for the following purposes: Reimbursement for the provision of pap smears, colposcopy, cervical biopsy, cryotherapy, loop electrosurgical excision procedure (LEEP), and such other treatments and procedures as may be developed for the followup of abnormal pap smears; the diagnosis and treatment of sexually transmitted diseases, including, but not limited to, chlamydia, gonorrhea, HPV (genital warts), and herpes; and associated laboratory and equipment costs and staff training costs relating to the use of colposcopy equipment. None of the General Funds provided under this program shall be used to perform or facilitate the performance of abortion or to counsel or refer for abortion.

There is included in the amount shown as aid for this program for FY2019-20 \$200,000 Cash Funds from the Nebraska Health Care Cash Fund for the Poison Control Center at the University of Nebraska Medical Center, which shall only be used by the medical center for the Poison Control Center. There is included in the amount shown as aid for this program for FY2020-21 \$200,000 Cash Funds from the Nebraska Health Care Cash Fund for the Poison Control Center at the University of Nebraska Medical Center, which shall only be used by the medical center for the Poison Control Center.

There is included in the amount shown as aid for this program for FY2019-20 \$1,100,000 General Funds for evidence-based early intervention home visitation programs. There is included in the amount shown as aid for this program for FY2020-21 \$1,100,000 General Funds for evidence-based early intervention home visitation programs.

There is included in the amount shown as aid for this program for FY2019-20 up to \$100,000 General Funds to contract with the University of Nebraska Medical Center for the Nebraska Perinatal Quality Improvement Collaborative. There is included in the amount shown as aid for this program for FY2020-21 up to \$100,000 General Funds to contract with the University of

Nebraska Medical Center for the Nebraska Perinatal Quality Improvement Collaborative.

There is included in the amount shown as aid for this program for FY2019-20 \$289,416 General Funds to contract for services for implementation of a statewide drug disposal project. There is included in the amount shown as aid for this program for FY2020-21 \$289,416 General Funds to contract for services for implementation of a statewide drug disposal project.

There is included in the amount shown as aid for this program for FY2019-20 up to \$292,000 General Funds for tuition reimbursement for emergency medical services responders' initial and ongoing training. There is included in the amount shown as aid for this program for FY2020-21 up to \$292,000 General Funds for tuition reimbursement for emergency medical services responders' initial and ongoing training.

Sec. 17. Laws 2019, LB294, section 159, is amended to read:
Sec. 159. AGENCY NO. 46 – DEPARTMENT OF CORRECTIONAL SERVICES
Program No. 200 - Operations

	FY2019-20	FY2020-21
<u>GENERAL FUND</u>	<u>218,099,530</u>	<u>187,970,648</u>
GENERAL FUND	218,099,530	226,143,054
CASH FUND	6,326,000	2,126,000
FEDERAL FUND est.	1,762,858	1,762,858
REVOLVING FUND est.	20,115,066	20,249,883
<u>PROGRAM TOTAL</u>	<u>246,303,454</u>	<u>212,109,389</u>
PROGRAM TOTAL	246,303,454	250,281,795
SALARY LIMIT	126,400,846	130,503,444

The unexpended General Fund appropriation balance existing on June 30, 2019, is hereby reappropriated.

Included in the salary limitations provided by this section is \$4,338,270 for FY2019-20 and \$4,338,270 for FY2020-21 for Revolving Fund salaries for program classifications 390 and 563, that shall not be limited to the amounts shown.

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

- No. 260 - Nebraska Correctional Youth Facility
- No. 300 - Tecumseh Correctional Center
- No. 368 - Lincoln Community Corrections Center
- No. 369 - Omaha Community Corrections Center
- No. 370 - Central Office
- No. 372 - Nebraska State Penitentiary
- No. 373 - Nebraska Center for Women - York
- No. 375 - Diagnostic and Evaluation Center
- No. 376 - Lincoln Correctional Center
- No. 377 - Omaha Correctional Center
- No. 386 - McCook Incarceration Work Camp
- No. 390 - Federal Surplus Property
- No. 495 - Department Central Warehouse
- No. 563 - Correctional Industries

Revolving Fund expenditures shall not be limited to the amounts shown.

It is intended that the Department of Correctional Services shall maintain a Department Contingency Fund and a Department Equipment Fund.

Sec. 18. Laws 2019, LB294, section 181, is amended to read:
Sec. 181. AGENCY NO. 63 – NEBRASKA STATE BOARD OF PUBLIC ACCOUNTANCY
Program No. 84 - Enforcement of Standards - Public Accountancy

	FY2019-20	FY2020-21
CASH FUND	430,690	436,083
PROGRAM TOTAL	430,690	436,083
<u>SALARY LIMIT</u>	<u>191,654</u>	<u>202,165</u>
SALARY LIMIT	191,654	195,665

Sec. 19. Laws 2019, LB294, section 182, is amended to read:
Sec. 182. AGENCY NO. 64 – NEBRASKA STATE PATROL
Program No. 100 - Public Protection

	FY2019-20	FY2020-21
<u>GENERAL FUND</u>	<u>61,014,568</u>	<u>50,918,391</u>

GENERAL FUND	61,014,568	62,628,282
CASH FUND	6,929,219	7,032,094
FEDERAL FUND est.	423,110	423,110
<u>PROGRAM TOTAL</u>	<u>68,366,897</u>	<u>58,373,595</u>
PROGRAM TOTAL	68,366,897	70,083,486
SALARY LIMIT	41,877,790	43,572,057

The unexpended General Fund appropriation balance existing on June 30, 2019, is hereby reappropriated.

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

- No. 189 - Command and Support
- No. 190 - Criminal Investigations
- No. 195 - Road Operations

There is included in the appropriation to this program for FY2019-20 \$150,000 General Funds and \$100,000 Federal Funds from the Byrne Criminal History Improvement set-aside funds, subject to available federal appropriation, which shall only be expended for criminal justice information systems improvements. There is included in the appropriation to this program for FY2020-21 \$150,000 General Funds and \$100,000 Federal Funds from the Byrne Criminal History Improvement set-aside funds, subject to available federal appropriation, which shall only be expended for criminal justice information systems improvements. Federal Funds transferred to the Nebraska State Patrol pursuant to this section shall be expended consistent with all applicable federal laws, rules, and regulations pertaining to Byrne Criminal History Improvement set-aside funds.

There is included in the appropriation to this program for FY2019-20 \$489,979 Cash Funds and for FY2020-21 \$489,979 Cash Funds, which appropriation amounts shall only be expended to provide law enforcement coverage along state road construction zones. The Department of Transportation Roads shall contract with the Nebraska State Patrol for such law enforcement coverage and shall pay for such services from the Roads Operations Cash Fund to the Nebraska State Patrol Cash Fund in four equal quarterly amounts to be transferred by the State Treasurer on or before July 15, October 15, January 15, and April 15, for both FY2019-20 and FY2020-21.

Sec. 20. Laws 2019, LB294, section 261, is amended to read:

Sec. 261. FUND LAPSES AND TRANSFERS.

The State Treasurer shall make the transfers specified in this section between funds, in the amounts indicated. Unless otherwise noted, transfers for FY2019-20 shall occur on July 1, 2019, or as soon thereafter as administratively possible, and transfers for FY2020-21 shall occur on July 1, 2020, or as soon thereafter as administratively possible. All agencies with administrative responsibilities for these funds shall assist the State Treasurer as needed in implementing the transfers.

(1) Transfers for FY2019-20 shall include:

(a) From the General Fund to the Nebraska State Patrol Cash Fund: \$115,000 less the unexpended balance existing on June 30, 2019, in (i) the Nebraska State Patrol Cash Fund, (ii) the Investigation Petty Cash Fund, (iii) any special checking account or accounts used by the Nebraska State Patrol, and (iv) the possession of agency personnel involved in investigations, when the unexpended balances resulted from General Fund transfers to the Nebraska State Patrol Cash Fund or from General Fund appropriations. Any transfers made shall be subject to a final reconciliation of available investigation cash fund balances as of June 30, 2019, by the Nebraska State Patrol.

It is the intent of the Legislature that the Nebraska State Patrol have available a total of \$115,000 from the General Fund for FY2019-20 to be used in making drug purchases, for enforcing Nebraska laws relating to felonies, for enforcing the Nebraska liquor laws, and for payment of investigative expenses;

(b) From the Tobacco Products Administration Cash Fund to the General Fund: \$9,000,000 on or before June 15, 2020, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services;

(c) From the Securities Act Cash Fund to the General Fund: \$6,750,000 on or before September 30, 2019, \$6,750,000 on or before December 31, 2019, \$6,750,000 on or before March 31, 2020, and \$6,750,000 on or before June 30, 2020, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services;

(d) From the Health and Human Services Cash Fund to the University of Nebraska Eppley Institute for Research in Cancer and Allied Diseases Cash Fund: \$500,000, pursuant to section 81-638;

(e) From the Department of Insurance Cash Fund to the General Fund: \$6,250,000 on or before September 30, 2019, and \$6,250,000 on or before March 31, 2020, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services;

(f) From the Roads Operations Cash Fund to the Carrier Enforcement Cash Fund: \$8,960,476, less the unexpended balance existing on June 30, 2019, in the

Carrier Enforcement Cash Fund. Transfers shall be made in four equal quarterly amounts on or before July 15, October 15, January 15, and April 15;

(g) From the Petroleum Release Remedial Action Cash Fund to the Underground Storage Tank Fund: \$50,000 on or before July 5, 2019;

(h) From the State Building Revolving Fund to the Capitol Security Revolving Fund: \$842,664. Transfers shall be made in four equal quarterly amounts on or before July 15, October 15, January 15, and April 15.

Transfers shall be made to pay non-General-Fund costs associated with the operation of the state capitol security division of the Nebraska State Patrol;

(i) From the Highway Trust Fund to the Motor Fuel Tax Enforcement and Collection Cash Fund: \$1,347,588. Transfers shall be made in twelve equal monthly amounts;

(j) From the Highway Trust Fund to the Motor Carrier Division Cash Fund: Up to a maximum of \$1,400,000. Transfers shall be made as required by the Department of Motor Vehicles to operate the Division of Motor Carrier Services;

(k) From the Civic and Community Center Financing Fund to the Department of Revenue Enforcement Fund: \$43,900 on July 1, 2019, or as soon thereafter as administratively possible, as provided for in sections 13-2704 and 77-5601;

(l) From the Highway Trust Fund to the License Plate Cash Fund: \$2,400,000. Transfers shall be made as required by the Department of Motor Vehicles to meet the expenditures of plate and sticker production;

(m) From the Flexible Spending Trust Fund to the Health and Life Benefit Administration Cash Fund: \$140,000, except that if the total available unobligated balance of forfeitures in the Flexible Spending Trust Fund as of June 30, 2019, is less than \$140,000, then the State Treasurer shall transfer the difference, not to exceed \$140,000, from the State Employees Insurance Fund. Transfers shall be made to pay the costs associated with the administration of the Flexible Spending Account program;

(n) From the State Employees Insurance Fund to the Health and Life Benefit Administration Cash Fund: \$979,952, less the June 30, 2019, unobligated Health and Life Benefit Administration Cash Fund balance;

(o) From the Severance Tax Fund to the Municipal Rate Negotiations Revolving Loan Fund: \$10,000, pursuant to section 57-705;

(p) From the Severance Tax Fund to the State Energy Cash Fund: \$300,000, pursuant to section 57-705. Transfers shall be made in twelve equal monthly amounts;

(q) From the Nebraska Training and Support Cash Fund to the Sector Partnership Program Fund: \$300,000 on or before July 15, 2019, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services;

(r) The State Treasurer shall transfer up to \$1,500,000 from the Petroleum Release Remedial Action Cash Fund to the Superfund Cost Share Cash Fund on or before June 30, 2020, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. Transfers shall be made as required by the Department of Environment and Energy and used pursuant to subdivision (2)(i) of section 66-1519;

(s) From the Records Management Cash Fund to the Secretary of State Administration Cash Fund: \$58,294 on or before June 30, 2020, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services;

(t) From the Securities Settlement Fund to the Educational Savings Plan Administrative Fund: \$150,000 on or before July 15, 2019, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services; and

(u) From the State Settlement Cash Fund to the General Fund: \$295,957 on or before June 30, 2020, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(2) Transfers for FY2020-21 shall include:

(a) From the General Fund to the Nebraska State Patrol Cash Fund: \$115,000 less the unexpended balance existing on June 30, 2020, in (i) the Nebraska State Patrol Cash Fund, (ii) the Investigation Petty Cash Fund, (iii) any special checking account or accounts used by the Nebraska State Patrol, and (iv) the possession of agency personnel involved in investigations, when the unexpended balances resulted from General Fund transfers to the Nebraska State Patrol Cash Fund or from General Fund appropriations. Any transfers made shall be subject to a final reconciliation of available investigation cash fund balances as of June 30, 2020, by the Nebraska State Patrol.

It is the intent of the Legislature that the Nebraska State Patrol have available a total of \$115,000 from the General Fund for FY2020-21 to be used in making drug purchases, for enforcing Nebraska laws relating to felonies, for enforcing the Nebraska liquor laws, and for payment of investigative expenses;

(b) From the Tobacco Products Administration Cash Fund to the General Fund: \$9,000,000 on or before June 15, 2021, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services;

(c) From the Securities Act Cash Fund to the General Fund: \$6,750,000 on or before September 30, 2020, \$6,750,000 on or before December 31, 2020, \$6,750,000 on or before March 31, 2021, and ~~\$5,500,000~~ ~~\$7,750,000~~ on or before June 30, 2021, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services;

(d) From the Health and Human Services Cash Fund to the University of Nebraska Eppley Institute for Research in Cancer and Allied Diseases Cash Fund:

\$500,000, pursuant to section 81-638;

(e) From the Department of Insurance Cash Fund to the General Fund: \$6,750,000 on or before September 30, 2020, and \$6,750,000 on or before March 31, 2021, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services;

(f) From the Roads Operations Cash Fund to the Carrier Enforcement Cash Fund: \$9,216,051. Transfers shall be made in four equal quarterly amounts on or before July 15, October 15, January 15, and April 15;

(g) From the Petroleum Release Remedial Action Cash Fund to the Underground Storage Tank Fund: \$50,000 on or before July 5, 2020;

(h) From the State Building Revolving Fund to the Capitol Security Revolving Fund: \$869,188. Transfers shall be made in four equal quarterly amounts on or before July 15, October 15, January 15, and April 15. Transfers shall be made to pay non-General-Fund costs associated with the operation of the state capitol security division of the Nebraska State Patrol;

(i) From the Highway Trust Fund to the Motor Fuel Tax Enforcement and Collection Cash Fund: \$1,443,670, less the unobligated balance in the Motor Fuel Tax Enforcement and Collection Cash Fund on June 30, 2020. Transfers shall be made in twelve equal monthly amounts;

(j) From the Highway Trust Fund to the Motor Carrier Division Cash Fund: Up to a maximum of \$1,400,000. Transfers shall be made as required by the Department of Motor Vehicles to operate the Division of Motor Carrier Services;

(k) From the Civic and Community Center Financing Fund to the Department of Revenue Enforcement Fund: \$43,900 on July 1, 2020, or as soon thereafter as administratively possible, as provided for in sections 13-2704 and 77-5601;

(l) From the Highway Trust Fund to the License Plate Cash Fund: Up to a maximum of \$2,400,000. Transfers shall be made as required by the Department of Motor Vehicles to meet the expenditures of plate and sticker production;

(m) From the Flexible Spending Trust Fund to the Health and Life Benefit Administration Cash Fund: \$140,000, except that if the total available unobligated balance of forfeitures in the Flexible Spending Trust Fund as of June 30, 2020, is less than \$140,000, then the State Treasurer shall transfer the difference, not to exceed \$140,000, from the State Employees Insurance Fund. Transfers shall be made to pay the costs associated with the administration of the Flexible Spending Account program;

(n) From the State Employees Insurance Fund to the Health and Life Benefit Administration Cash Fund: \$989,961;

(o) From the Severance Tax Fund to the Municipal Rate Negotiations Revolving Loan Fund: \$10,000, pursuant to section 57-705;

(p) From the Severance Tax Fund to the State Energy Cash Fund: \$300,000, pursuant to section 57-705. Transfers shall be made in twelve equal monthly amounts;

(q) From the Nebraska Training and Support Cash Fund to the Sector Partnership Program Fund: \$300,000 on or before July 15, 2020, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services;

(r) The State Treasurer shall transfer up to \$1,500,000 from the Petroleum Release Remedial Action Cash Fund to the Superfund Cost Share Cash Fund on or before June 30, 2021, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. Transfers shall be made as required by the Department of Environment and Energy and used pursuant to subdivision (2)(i) of section 66-1519;

(s) From the Records Management Cash Fund to the Secretary of State Administration Cash Fund: \$61,130 on or before June 30, 2021, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services;

(t) From the Securities Settlement Fund to the Educational Savings Plan Administrative Fund: \$150,000 on or before July 15, 2020, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services; and

(u) From the State Settlement Cash Fund to the General Fund: \$295,957 on or before June 30, 2021, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 21. Laws 2020, LB1008, section 49, is amended to read:

Sec. 49. AGENCY NO. 13 – STATE DEPARTMENT OF EDUCATION

Program No. 158 - Education Aid

	FY2019-20	FY2020-21
<u>GENERAL FUND</u>	<u>1,292,913,588</u>	<u>1,280,091,480</u>
GENERAL FUND	1,292,913,588	1,281,781,018
CASH FUND	3,790,938	3,790,938
<u>FEDERAL FUND est.</u>	<u>323,174,115</u>	<u>330,145,476</u>
<u>PROGRAM TOTAL</u>	<u>1,619,878,641</u>	<u>1,614,027,894</u>
FEDERAL FUND est.	323,174,115	323,174,115

PROGRAM TOTAL 1,619,878,641 1,608,746,071

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$319,400, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$1,292,913,588 General Funds, \$3,790,938 Cash Funds, and \$323,174,115 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$1,280,091,480 ~~\$1,281,781,018~~ General Funds, \$3,790,938 Cash Funds, and \$330,145,476 ~~\$323,174,115~~ Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown for FY2019-20 \$1,036,237,766 General Funds which are hereby appropriated to the Tax Equity and Educational Opportunities Fund, which fund is hereby appropriated to provide state aid to public school districts pursuant to the Tax Equity and Educational Opportunities Support Act. There is included in the amount shown for FY2020-21 \$1,020,866,321 ~~\$1,022,555,859~~ General Funds which are hereby appropriated to the Tax Equity and Educational Opportunities Fund, which fund is hereby appropriated to provide state aid to public school districts pursuant to the Tax Equity and Educational Opportunities Support Act.

There is included in the amount shown for this program \$228,791,851 General Funds provided as state aid for FY2019-20 for special education reimbursement. There is included in the amount shown for this program \$231,079,770 General Funds provided as state aid for FY2020-21 for special education reimbursement.

There is included in the amount shown for this program \$465,500 General Funds provided as state aid for FY2019-20 and \$465,500 General Funds provided as state aid for FY2020-21 to carry out the provisions of subsection (2) of section 79-734.

There is included in the amount shown for this program \$9,962,195 General Funds provided as state aid for FY2019-20 and \$10,161,395 General Funds provided as state aid for FY2020-21 for core services for educational service units.

There is included in the amount shown for this program \$3,108,709 General Funds provided as state aid for FY2019-20 and \$3,170,927 General Funds provided as state aid for FY2020-21 for technology infrastructure for educational service units.

There is included in the amount shown for this program \$281,654 General Funds provided as state aid for FY2019-20 and \$281,654 General Funds provided as state aid for FY2020-21 for distance education aid to educational service units.

There is included in the amount shown for this program \$617,898 General Funds provided as state aid for FY2019-20 and \$617,898 General Funds provided as state aid for FY2020-21 for the school breakfast program.

There is included in the amount shown for this program \$392,032 General Funds provided as state aid for FY2019-20 and \$392,032 General Funds provided as state aid for FY2020-21 for the school lunch program.

There is included in the amount shown for this program \$90,000 General Funds provided as state aid for FY2019-20 and \$90,000 General Funds provided as state aid for FY2020-21 for the Summer Food Service Program.

There is included in the amount shown for this program \$214,664 General Funds provided as state aid for FY2019-20 and \$214,664 General Funds provided as state aid for FY2020-21 for adult basic education programs.

There is included in the amount shown for this program \$750,000 General Funds provided as state aid for FY2019-20 and \$750,000 General Funds provided as state aid for FY2020-21 for aid to institutions offering high school equivalency programs.

There is included in the amount shown for this program \$3,619,357 General Funds provided as state aid for FY2019-20 and \$3,619,357 General Funds provided as state aid for FY2020-21 for early childhood education projects.

There is included in the amount shown for this program \$5,000,000 General Funds provided as state aid for FY2019-20 and \$5,000,000 General Funds provided as state aid for FY2020-21 for the Early Childhood Education Grant Program for at-risk children from birth to age three. It is the intent of the Legislature that a maximum of five percent of General Funds appropriated each fiscal year for the Early Childhood Education Grant Program for at-risk children from birth to age three may be used for evaluation and technical assistance.

There is included in the amount shown for this program \$100,000 General Funds provided as state aid for FY2019-20 and \$100,000 General Funds provided as state aid for FY2020-21 for scholarships for early childhood education providers.

There is included in the amount shown for this program \$69,000 General Funds provided as state aid for FY2019-20 and \$69,000 General Funds provided as state aid for FY2020-21 for incentive bonuses for providers of child care and early childhood education programs.

There is included in the amount shown for this program \$400,000 General Funds provided as state aid for FY2019-20 and \$400,000 General Funds provided as state aid for FY2020-21 for the Nurturing Healthy Behaviors program.

There is included in the amount shown for this program \$470,000 General Funds provided as state aid for FY2019-20 and \$470,000 General Funds provided as state aid for FY2020-21 for learning community aid.

There is included in the amount shown for this program \$2,342,962 General Funds provided as state aid for FY2019-20 and \$2,342,962 General Funds provided

as state aid for FY2020-21 for programs for learners with high ability.

Sec. 22. Laws 2020, LB1008, section 50, is amended to read:

Sec. 50. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 33 - Administration

	FY2019-20	FY2020-21
GENERAL FUND	143,783,542	145,782,020
CASH FUND	27,835,666	27,606,479
FEDERAL FUND est.	313,966,275	315,600,604
PROGRAM TOTAL	485,585,483	488,989,103
SALARY LIMIT	161,312,799	166,258,216

The unexpended General Fund appropriation balance existing on June 30, 2020, less ~~\$6,100,000~~ ~~\$1,600,000~~, is hereby reappropriated.

(1) The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classifications:

- No. 249 - Medicaid Expansion Administration
- No. 261 - General Operations
- No. 262 - Public Health Administration
- No. 263 - Medicaid and Long-Term Care Administration
- No. 264 - Children and Family Services Administration
- No. 265 - Protection and Safety
- No. 266 - Economic and Family Support
- No. 267 - Developmental Disabilities Service Coordination
- No. 268 - Behavioral Health Administration
- No. 269 - Developmental Disabilities Administration

There is included in the appropriation to this program for FY2020-21 \$88,927 General Funds for the related administrative purposes for recruitment, training, and monitoring of outpatient facilities or individual providers who have contracts to provide alternative treatment plans.

(2) There is included in the appropriation to this program for FY2019-20 \$13,688 Cash Funds for regulatory support for out-of-hospital emergency care providers licensing from the Nebraska Health Care Cash Fund. There is included in the appropriation to this program for FY2020-21 \$13,688 Cash Funds for regulatory support for out-of-hospital emergency care providers licensing from the Nebraska Health Care Cash Fund.

(3) There is included in the appropriation to this program for FY2019-20 \$26,000 Cash Funds from the Nebraska Health Care Cash Fund to continue the Parkinson's Disease Registry. There is included in the appropriation to this program for FY2020-21 \$26,000 Cash Funds from the Nebraska Health Care Cash Fund to continue the Parkinson's Disease Registry.

(4) There is included in the appropriation to this program \$404,643 Cash Funds for FY2019-20 and \$404,643 Cash Funds for FY2020-21 from the Nebraska Health Care Cash Fund for respite services in each of the service areas designated by the Department of Health and Human Services and for administrative costs, including personnel costs, associated with the Nebraska Lifespan Respite Services Program.

(5) There is included in the appropriation to this program for FY2019-20 \$6,000 Cash Funds from the Nebraska Health Care Cash Fund for costs of smoking cessation covered by medicaid. There is included in the appropriation to this program for FY2020-21 \$6,000 Cash Funds from the Nebraska Health Care Cash Fund for costs of smoking cessation covered by medicaid.

(6) There is included in the appropriation to this program for FY2019-20 \$1,000,000 General Funds for the electronic records initiative, to be used only for this purpose. There is included in the appropriation to this program for FY2020-21 \$1,000,000 General Funds for the electronic records initiative, to be used only for this purpose.

(7) There is included in the appropriation to this program for FY2019-20 \$220,000 Cash Funds to operate a satellite office of minority health in the second and third congressional districts to coordinate and administer state policy relating to minority health from the Nebraska Health Care Cash Fund. There is included in the appropriation to this program for FY2020-21 \$220,000 Cash Funds to operate a satellite office of minority health in the second and third congressional districts to coordinate and administer state policy relating to minority health from the Nebraska Health Care Cash Fund.

(8) There is included in the appropriation to this program for FY2019-20 \$100,000 Cash Funds for staff and operating expenses for public health from the Nebraska Health Care Cash Fund. There is included in the appropriation to this program for FY2020-21 \$100,000 Cash Funds for staff and operating expenses for public health from the Nebraska Health Care Cash Fund.

(9) There is included in the appropriation to this program for FY2019-20 \$321,182 Cash Funds from the Nebraska Health Care Cash Fund to carry out the provisions of the Aging and Disability Resource Center Act. There is included in the appropriation to this program for FY2020-21 \$321,182 General Funds to carry out the provisions of the Aging and Disability Resource Center Act.

(10) There is included in the appropriation to this program for FY2019-20 \$29,680 Cash Funds from the Nebraska Health Care Cash Fund to carry out

provisions of the Assisted-Living Facility Act. There is included in the appropriation to this program for FY2020-21 \$29,680 General Funds from the Nebraska Health Care Cash Fund to carry out provisions of the Assisted-Living Facility Act.

(11) It is the intent of the Legislature that the Department of Health and Human Services shall provide quarterly status reports electronically on the replacement and maintenance, including expenditures, of the Medicaid Medical Information System (MMIS).

(12) The Legislature finds that underfunding of the medical assistance program under the Medical Assistance Act has resulted in a growing financial chasm between the amount of money a service provider is reimbursed under the program and the actual cost of providing care. Combined with workforce shortages, the continued ability of long-term care providers to serve beneficiaries of the medical assistance program is increasingly at risk. The Legislature also recognizes that aging Nebraskans have made contributions throughout their lifetimes to the state and country and deserve to receive the care they need in recognition of this service.

(13) If federal funding is approved under this section, on or before December 31, 2020, the department shall study and report to the Appropriations Committee of the Legislature on statewide access to long-term care. The department shall contract with an independent entity with proven expertise in (a) data analysis and projections of future trends, (b) community planning, (c) innovative practices and best practices in long-term care services, and (d) the development of a long-term care sustainability plan. The department and contracted entity shall study the needs of Nebraska's aging population for facility-based and home and community-based long-term care services in close proximity to familial and social support systems and shall make reasonable recommendations, supported by data, on changes to the policy and funding of long-term care services under the Medical Assistance Act.

(14) The department and the contracted entity shall:
(a) Review and summarize existing data sources;
(b) Provide the committee with a detailed analysis and projection of Nebraska's demographic trends by age and availability of informal long-term care support systems;

(c) Provide the committee with a detailed analysis of the current and projected future needs of aging Nebraskans and current gaps in facility-based and home and community-based long-term care services in all areas of the state and factors contributing to such gaps;

(d) Provide the committee with a detailed analysis of state regulations and processes that impede the flexibility for nursing facilities to provide home and community-based long-term care services when there is an identified community need;

(e) Provide the committee with a detailed analysis of the financial stability of long-term care providers that accept participants in the medical assistance program, especially nursing facilities, and contributing factors;

(f) Make recommendations to the committee for increased regulatory flexibility to allow a skilled nursing facility to provide home and community-based long-term care services to meet community needs and for strategic consolidation of facilities and services to use long-term care workforce resources more effectively;

(g) Identify changes to reimbursement under the medical assistance program to sustain access to long-term care services across the state; and

(h) Create a financially sustainable five-year plan for ensuring that aging Nebraskans continue to have access to long-term care services they need in close proximity to their familial and social support systems.

(15) A status update on the report shall be delivered electronically to the Appropriations Committee of the Legislature by December 31, 2019.

The final report shall be delivered electronically to the Appropriations Committee of the Legislature by December 1, 2020.

(16) It is the intent of the Legislature that the Division of Medicaid and Long-Term Care of the Department of Health and Human Services shall request approval from the Secretary of the United States Department of Health and Human Services to use \$87,500 of Nebraska's Nursing Facility Penalty Cash Fund under section 1919(h)(3)(C)(ii)(IV)(ff) of the federal Social Security Act as the federal match to carry out the study described in this section. Such funds shall be used to research demographic trends, project current and future service needs, and provide recommendations for continued statewide access to long-term care services, including nursing facility care, for medicaid recipients.

There is included in the appropriation to this program the following amounts for Program 249:

	FY2019-20	FY2020-21
GENERAL FUND	5,979,812	5,772,769
FEDERAL FUND est.	8,583,992	6,372,769
PROGRAM TOTAL	14,563,804	12,145,538
SALARY LIMIT	4,678,048	5,560,460

It is the intent of the Legislature that the department shall provide

monthly status reports electronically to the Clerk of the Legislature and the Legislative Fiscal Analyst on Medicaid Expansion. The department shall include in the reports information on contracts, personnel, waiver applications, CMS decisions and directives, and implementation timelines.

Sec. 23. Laws 2020, LB1008, section 51, is amended to read:

Sec. 51. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 344 - Children's Health Insurance

	FY2019-20	FY2020-21
GENERAL FUND	14,317,097	23,778,754
CASH FUND	7,085,700	7,085,700
FEDERAL FUND est.	102,296,102	93,898,774
PROGRAM TOTAL	123,698,899	124,763,228

The unexpended General Fund appropriation balance existing on June 30, 2020, less ~~\$5,500,000~~ ~~\$2,000,000~~, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$14,317,097 General Funds, \$7,085,700 Cash Funds, and \$102,296,102 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$23,778,754 General Funds, \$7,085,700 Cash Funds, and \$93,898,774 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the appropriation to this program for FY2019-20 \$6,835,700 Cash Funds for state aid from the Nebraska Health Care Cash Fund. There is included in the appropriation to this program for FY2020-21 \$6,835,700 Cash Funds for state aid from the Nebraska Health Care Cash Fund.

There is included in the appropriation to this program for FY2020-21 \$251,510 General Funds and \$565,612 Federal Funds estimate for rate increases paid to providers of mental health and behavioral health services prioritized for mental health and behavioral health services which were reimbursed at fifteen percent or more below such rates paid as of January 1, 2020, by the Division of Behavioral Health. Services include, but are not limited to, day rehabilitation services, mental health individual sessions, substance use disorder individual sessions, substance use disorder assessments, therapeutic community services, and psychiatric residential rehabilitation. It is the intent of the Legislature that funds appropriated for mental health and behavioral health rate increases be utilized solely for mental health and behavioral health rate increases in a proportional manner.

There is included in the amount shown as aid for this program for FY2019-20 up to \$250,000 Cash Funds and for FY2020-21 up to \$250,000 Cash Funds from the Health and Human Services Cash Fund for the state match for utilization of the unused administrative cap as allowed under the Children's Health Insurance Program for payments to the Nebraska Regional Poison Center funded through the University of Nebraska Medical Center. The match is from Cash Funds transferred from the University of Nebraska Medical Center.

It is the intent of the Legislature that phased-down state contributions to the federal government as defined and required by the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 may be made from appropriations to this program.

Sec. 24. Laws 2020, LB1008, section 52, is amended to read:

Sec. 52. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 347 - Public Assistance

	FY2019-20	FY2020-21
GENERAL FUND	91,609,328	86,756,257
CASH FUND	3,560,000	5,524,198
FEDERAL FUND est.	112,235,004	112,235,004
PROGRAM TOTAL	207,404,332	204,515,459

The unexpended General Fund appropriation balance existing on June 30, 2020, less ~~\$14,300,000~~ ~~\$4,000,000~~, is hereby reappropriated.

There is included in the appropriation to this program for FY2019-20 \$91,609,328 General Funds, \$3,560,000 Cash Funds, and \$112,235,004 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$86,756,257 General Funds, \$5,524,198 Cash Funds, and \$112,235,004 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown as aid for this program for FY2019-20 \$810,000 Cash Funds from the Nebraska Health Care Cash Fund to aid in carrying out the Nebraska Lifespan Respite Services Program and to provide payment to caregivers to purchase services under the respite subsidy program. There is included in the amount shown as aid for this program for FY2020-21 \$810,000 Cash Funds from the Nebraska Health Care Cash Fund to aid in carrying out the Nebraska Lifespan Respite Services Program and to provide payment to caregivers to purchase services under the respite subsidy program.

There is included in the appropriation to this program a one-time increase

of \$1,964,198 Cash Funds for FY2020-21 for the Homeless Shelter Assistance Program because the balance in the Homeless Shelter Assistance Trust Fund is being depleted, and ongoing expenditures above the estimated revenue amount of \$2,900,000 are not sustainable beyond FY2020-21.

Sec. 25. Laws 2020, LB1008, section 53, is amended to read:

Sec. 53. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 348 - Medical Assistance

	FY2019-20	FY2020-21
GENERAL FUND	860,304,131	921,250,222
CASH FUND	46,851,581	46,851,581
FEDERAL FUND est.	1,261,738,910	1,708,752,389
PROGRAM TOTAL	2,168,894,622	2,676,854,192

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$7,500,000, is hereby reappropriated.

The Department of Administrative Services shall monitor the appropriations and expenditures for this program according to the following program classification:

- No. 348 - Medical Assistance
- No. 349 - Medicaid Expansion Aid

There is included in the appropriation to this program for FY2019-20 \$860,304,131 General Funds, \$46,851,581 Cash Funds, and \$1,261,738,910 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$921,250,222 General Funds, \$46,851,581 Cash Funds, and \$1,708,752,389 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown as aid for this program for FY2019-20 \$4,765,896 Cash Funds for the continuation of the behavioral health provider rate increase and behavioral health provider rate increase for managed care, inpatient services, and residential treatment services provided with funds from the Nebraska Health Care Cash Fund. There is included in the amount shown as aid for this program for FY2020-21 \$4,765,896 Cash Funds for the continuation of the behavioral health provider rate increase and behavioral health provider rate increase for managed care, inpatient services, and residential treatment services provided with funds from the Nebraska Health Care Cash Fund.

There is included in the amount shown as aid for this program for FY2019-20 \$450,000 Cash Funds from the Nebraska Health Care Cash Fund for a state plan amendment covering tobacco-use cessation in compliance with Title XIX of the federal Social Security Act. There is included in the amount shown as aid for this program for FY2020-21 \$450,000 Cash Funds from the Nebraska Health Care Cash Fund for a state plan amendment covering tobacco-use cessation in compliance with Title XIX of the federal Social Security Act. The smoking cessation funding for FY2019-20 and FY2020-21 is for the costs of tobacco-use cessation counseling and tobacco-use cessation pharmaceuticals approved by the federal Food and Drug Administration for such purpose.

The chief executive officer of the Department of Health and Human Services shall certify to the budget administrator of the budget division of the Department of Administrative Services the portion of the FY2020-21 General Fund appropriation available for transfer from Budget Program 349 - Medicaid Expansion Aid to Budget Program 38 - Behavioral Health Aid within Agency 25 – Department of Health and Human Services. The transfer is authorized if any one of the following conditions are met: (1) Medicaid Expansion is delayed beyond the projected October 1, 2020, implementation date; (2) payment delays beyond the control of the Behavioral Health Regions would result in hardships meeting expenses incurred providing Medicaid-eligible services by the Behavioral Health Regions. Funding accessed under this condition shall be repaid once Medicaid payments are made in full to the Behavioral Health Regions for Medicaid-eligible services provided to Medicaid-eligible clients; and (3) enrollment of clients served by the Behavioral Health Regions is less than projected in the Medicaid Expansion budget calculations. The state budget administrator of the budget division of the Department of Administrative Services shall administratively transfer during FY2020-21 the portion of the appropriation certified by the chief executive officer of the Department of Health and Human Services from Budget Program 349 - Medicaid Expansion Aid to Budget Program 38 - Behavioral Health Aid. The chief executive officer shall send a copy of the certification letter to the Legislative Fiscal Office at the same time it is presented to the state budget administrator. The state budget administrator shall notify the Legislative Fiscal Office of any transfers made under this section.

The certification authority granted in this section expires on March 1, 2021.

There is included in the appropriation to this program in FY2020-21 \$217,347 General Funds and \$276,624 Federal Funds estimate to bring rates for providers of halfway house services up to the rates paid by the Division of Behavioral Health.

There is included in the appropriation to this program for FY2020-21 \$3,888,739 General Funds and \$4,955,334 Federal Funds estimate for rate

increases paid to providers of mental health and behavioral health services prioritized for mental health and behavioral health services which were reimbursed at fifteen percent or more below such rates paid as of January 1, 2020, by the Division of Behavioral Health. Services include, but are not limited to, day rehabilitation services, mental health individual sessions, substance use disorder individual sessions, substance use disorder assessments, therapeutic community services, and psychiatric residential rehabilitation. It is the intent of the Legislature that funds appropriated for mental health and behavioral health rate increases be utilized solely for mental health and behavioral health rate increases in a proportional manner.

There is included in the appropriation to this program \$336,349,731 (\$154,081,812 General Funds and \$182,267,919 Federal Funds) for nursing facilities in FY2019-20, which includes a one-time payment increase of \$7,400,000 (\$3,389,940 General Funds and \$4,010,060 Federal Funds) and \$13,851,307 (\$6,345,284 General Funds and \$7,506,023 Federal Funds) for utilization changes and rate enhancement.

There is included in the appropriation in this section \$350,795,952 (\$158,840,407 General Funds and \$191,955,545 Federal Funds) for nursing facilities in FY2020-21 which includes \$14,446,221 (\$6,541,249 General Funds and \$7,904,972 Federal Funds) for utilization changes and rate enhancement and this total amount shall be used in the FY2020-21 Medicaid nursing facility rate calculation.

It is the intent of the Legislature that the total nursing facility appropriation amount, including utilization changes and rate enhancement shall be used in Step 2 directives of the Legislature of the Inflation Factor calculation process, as described in 471 NAC 12-011.08D5, in effect on January 1, 2019, for FY2019-20 and FY2020-21.

The Department of Health and Human Services shall file a report with the Legislative Fiscal Office and the Clerk of the Legislature no later than August 1, 2019, on how the Inflation Factor was calculated for FY2019-20 rates and no later than August 1, 2020, on how the Inflation Factor was calculated for FY2020-21 rates.

The Department of Health and Human Services shall file a report electronically with the Legislative Fiscal Analyst and the Clerk of the Legislature between December 15 and December 31, 2020, identifying the amount of any unspent remaining appropriation from the FY2019-20 appropriations earmarked for nursing facility payments. The report shall include an identification of encumbrances and retroactive payments.

It is the intent of the Legislature that phased-down state contributions to the federal government as defined and required by the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 may be made from appropriations to this program.

The chief executive officer of the Department of Health and Human Services may certify to the budget administrator of the budget division of the Department of Administrative Services FY2019-20 and FY2020-21 unexpended appropriation balances for Medical Assistance, Program No. 348, available to transfer to Developmental Disabilities Aid, Program No. 424, to be used only to maintain individuals with an intellectual or developmental disability in a medicaid program that best serves their needs at a cost that does not exceed the cost of services provided in an institution. The budget administrator of the budget division of the Department of Administrative Services shall administratively transfer during FY2019-20 and FY2020-21 available appropriations as certified by the chief executive officer of the Department of Health and Human Services from Medical Assistance, Program No. 348, to Developmental Disabilities Aid, Program No. 424.

For informational purposes only, there is included in the appropriation to this program the following aid amounts for Program 349:

	FY2019-20	FY2020-21
GENERAL FUND	-0-	43,863,305
FEDERAL FUND est.	-0-	373,260,870
PROGRAM TOTAL	-0-	417,124,175

It is the intent of the Legislature that the department shall provide monthly status reports electronically to the Clerk of the Legislature and the Legislative Fiscal Analyst on Medicaid Expansion. The department shall include in the report information on policy decisions on services, community engagement, wellness requirements, and rate setting.

Sec. 26. Laws 2020, LB1008, section 54, is amended to read:

Sec. 54. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 354 - Child Welfare Aid

	FY2019-20	FY2020-21
GENERAL FUND	197,032,479	172,174,830
CASH FUND	2,734,444	2,734,444
FEDERAL FUND est.	30,873,288	32,211,149

PROGRAM TOTAL 230,640,211 207,120,423

The unexpended General Fund appropriation balance existing on June 30, 2020, less \$28,000,000, is hereby reappropriated.

Of the remaining unexpended General Fund appropriation balance existing on June 30, 2020, \$6,000,000 is hereby reappropriated to Agency No. 25, Program 33.

There is included in the appropriation to this program for FY2019-20 \$197,032,479 General Funds, \$2,734,444 Cash Funds, and \$30,873,288 Federal Funds estimate for state aid, which shall only be used for such purpose. There is included in the appropriation to this program for FY2020-21 \$172,174,830 General Funds, \$2,734,444 Cash Funds, and \$32,211,149 Federal Funds estimate for state aid, which shall only be used for such purpose.

There is included in the amount shown as aid for this program for FY2019-20 \$2,734,444 Cash Funds from the Nebraska Health Care Cash Fund for the continuation of the behavioral health provider rate increase. There is included in the amount shown as aid for this program for FY2020-21 \$2,734,444 Cash Funds from the Nebraska Health Care Cash Fund for the continuation of the behavioral health provider rate increase.

Sec. 27. Laws 2020, LB1008, section 55, is amended to read:

Sec. 55. AGENCY NO. 25 – DEPARTMENT OF HEALTH AND HUMAN SERVICES
Program No. 421 - Beatrice State Developmental Center

	FY2019-20	FY2020-21
GENERAL FUND	14,936,566	13,363,473
CASH FUND	2,711,509	2,711,509
FEDERAL FUND est.	20,439,489	21,451,694
PROGRAM TOTAL	38,087,564	37,526,676
SALARY LIMIT	22,275,288	22,525,383

The unexpended General Fund appropriation balance existing on June 30, 2020, less ~~\$2,200,000~~ \$1,000,000, is hereby reappropriated.

The chief executive officer of the Department of Health and Human Services shall certify to the budget administrator of the budget division of the Department of Administrative Services the FY2019-20 and FY2020-21 unexpended appropriation balances for the Beatrice State Developmental Center, Program 421, which are available to transition and maintain persons transferred from the Beatrice State Developmental Center to community-based developmental disability or other services. The budget administrator of the budget division of the Department of Administrative Services shall administratively transfer during FY2019-20 and FY2020-21 available unexpended appropriation balances as certified by the chief executive officer of the Department of Health and Human Services from the Beatrice State Developmental Center, Program 421, to Developmental Disability Aid, Program 424, and Medical Assistance, Program 348.

Sec. 28. LIMITATION ON SALARIES, WAGES, AND PER DIEMS.

(1) For purposes of this act, (a) SALARY LIMIT shall mean total expenditures for permanent and temporary salaries and per diems and (b) total expenditures for permanent and temporary salaries and per diems shall mean all remuneration paid to employees treated as taxable compensation by the Internal Revenue Service or subject to social security coverage, specifically including payments accounted for as vacation, holidays, sick leave, military leave, funeral leave, maternity leave, administrative leave, compensatory time, deferred compensation, or any other similar form, and amounts withheld pursuant to law, but excluding state contributions for social security, retirement, and employee insurance plans.

(2) Total expenditures for permanent and temporary salaries and per diems shall be limited to the amount shown except when federal funds in excess of the amount shown are available and approved by the Governor. Expenditures for permanent and temporary salaries and per diems from such grants shall be in addition to the limitation on permanent and temporary salaries and per diems otherwise shown in this act. No agency shall request any state funds for continuation or replacement of any such personnel or activities in future budget requests. To the extent feasible, requests for increases in the limitation on permanent and temporary salaries and per diems shall be addressed to the Appropriations Committee of the Legislature when the Legislature is in session.

(3) Expenditures for permanent and temporary salaries resulting from awards made to employees under sections 81-1346 to 81-1354 shall be in addition to the limitations on permanent and temporary salaries and per diems otherwise shown in this act.

(4) The limitation on expenditures for permanent and temporary salaries and per diems for FY2020-21 as enumerated in this act shall be the basis for continuation funding for each fiscal year of the succeeding biennium.

(5) The limitation on expenditures for permanent and temporary salaries and per diems for FY2019-20 shall be increased by certified encumbrance amounts from FY2018-19 for permanent and temporary salaries and per diems. The limitation on expenditures for permanent and temporary salaries and per diems for FY2020-21 shall be increased by certified encumbrance amounts from

FY2019-20 for permanent and temporary salaries and per diems. Encumbered amounts shall be calculated in accordance with section 81-138.01.

(6) The limitation on expenditures for permanent and temporary salaries and per diems shall only apply to remuneration paid to state employees or per diem payments made to members of state boards or commissions.

(7) The budget administrator of the budget division of the Department of Administrative Services may administratively increase the limitation on expenditures for permanent and temporary salaries and per diems upon receipt of a request for such increase from the director of a state agency certifying the actual amount of the payment to a former employee of such agency, or his or her beneficiary upon the death of the employee, of accumulated vacation and sick leave pursuant to section 81-1325 and the rules and regulations of the State Personnel System governing such payments.

Sec. 29. Original Laws 2019, LB294, sections 93, 106, 108, 159, 181, 182, and 261; and Laws 2020, LB1008, sections 49, 50, 51, 52, 53, 54, and 55, are repealed.

Sec. 30. Since an emergency exists, this act takes effect when passed and approved according to law.