

LEGISLATIVE BILL 600

Approved by the Governor April 16, 2024

Introduced by Lippincott, 34; Aguilar, 35; Briese, 41; Hardin, 48; McDonnell, 5; Riepe, 12; Vargas, 7; Wayne, 13.

A BILL FOR AN ACT relating to cities and villages; to amend section 84-612, Revised Statutes Supplement, 2023; to adopt the Municipality Infrastructure Aid Act; to transfer funds from the Cash Reserve Fund; to repeal the original section; and to declare an emergency.
Be it enacted by the people of the State of Nebraska,

Section 1. Sections 1 to 8 of this act shall be known and may be cited as the Municipality Infrastructure Aid Act.

Sec. 2. For purposes of the Municipality Infrastructure Aid Act:

(1) Eligible grantee means a city of the first class, city of the second class, or village with a redevelopment plan approved under the Community Development Law;

(2) Infrastructure includes water systems, sewer systems, roads, bridges, and other site development activities; and

(3) Program means the Municipality Infrastructure Aid Program created in section 3 of this act.

Sec. 3. The Municipality Infrastructure Aid Program is created. The Department of Economic Development shall administer the program. The purpose of the program is to finance infrastructure improvements in cities of the first class, cities of the second class, and villages.

Sec. 4. (1) Beginning July 1, 2024, an eligible grantee may apply to the Department of Economic Development for a grant under the Municipality Infrastructure Aid Act on forms created by the department.

(2) To be eligible for a grant under the Municipality Infrastructure Aid Act, an eligible grantee shall include the following in its application:

(a) The infrastructure improvements that are a part of a redevelopment plan approved under the Community Development Law;

(b) How the infrastructure improvements would attract and support any new business or business expansion;

(c) How the infrastructure improvements would provide infrastructure that is sufficient for the new business or business expansion;

(d) The cost-benefit analysis of the redevelopment plan approved under the Community Development Law; and

(e) How the new business or business expansion would provide the following:

(i) The creation of additional jobs in or near the eligible grantee;

(ii) The creation of high-quality jobs in or near the eligible grantee;

(iii) Increased business investment in or near the eligible grantee; and

(iv) Revitalization of rural and other distressed areas of the state.

(3) A grant shall not be awarded to an eligible grantee if:

(a) The eligible grantee does not provide a positive cost-benefit analysis of the redevelopment plan approved under the Community Development Law; or

(b) The eligible grantee does not provide matching funds in the amount of at least twenty-five percent of the amount of the grant.

(4) An eligible grantee shall not be awarded a grant of more than five million dollars for any single application.

Sec. 5. The Department of Economic Development shall:

(1) Create an application process for an eligible grantee to apply for a grant under the Municipality Infrastructure Aid Act;

(2) Establish a process for awarding grants under the Municipality Infrastructure Aid Act and how grant money will be provided to a grant recipient; and

(3) Create a process for recoupment of grant money that is not spent for the purpose of a grant or if the grant recipient does not meet all required obligations regarding the grant.

Sec. 6. The Department of Economic Development may consult with statewide associations representing municipal officials, economic developers, the Department of Transportation, and the Department of Environment and Energy in order to carry out the Municipality Infrastructure Aid Act.

Sec. 7. The Municipality Infrastructure Aid Fund is created. The fund shall be administered by the Department of Economic Development and shall be used for the purposes of the Municipality Infrastructure Aid Act. The Municipality Infrastructure Aid Fund shall consist of money transferred by the Legislature and money that was recouped under the Municipality Infrastructure Aid Act. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Investment earnings from investment of money in the fund shall be credited to the fund.

Sec. 8. The Department of Economic Development may adopt and promulgate rules and regulations to carry out the Municipality Infrastructure Aid Act.

Sec. 9. Section 84-612, Revised Statutes Supplement, 2023, is amended to read:

84-612 (1) There is hereby created within the state treasury a fund known as the Cash Reserve Fund which shall be under the direction of the State Treasurer. The fund shall only be used pursuant to this section.

(2) The State Treasurer shall transfer funds from the Cash Reserve Fund to the General Fund upon certification by the Director of Administrative Services that the current cash balance in the General Fund is inadequate to meet current obligations. Such certification shall include the dollar amount to be transferred. Any transfers made pursuant to this subsection shall be reversed upon notification by the Director of Administrative Services that sufficient funds are available.

(3) In addition to receiving transfers from other funds, the Cash Reserve Fund shall receive federal funds received by the State of Nebraska for undesignated general government purposes, federal revenue sharing, or general fiscal relief of the state.

(4) The State Treasurer shall transfer two million dollars from the Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(5) The State Treasurer shall transfer two hundred sixteen million one hundred twenty thousand dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund on or after July 1, 2022, but before June 15, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(6) The State Treasurer shall transfer one hundred eighty-two million six hundred twenty-three thousand eight hundred twenty-five dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(7) The State Treasurer shall transfer fifty-three million five hundred thousand dollars from the Cash Reserve Fund to the Perkins County Canal Project Fund on or before June 30, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(8) No funds shall be transferred from the Cash Reserve Fund to fulfill the obligations created under the Nebraska Property Tax Incentive Act unless the balance in the Cash Reserve Fund after such transfer will be at least equal to five hundred million dollars.

(9) The State Treasurer shall transfer thirty million dollars from the Cash Reserve Fund to the Military Base Development and Support Fund on or before June 30, 2023, but not before July 1, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(10) The State Treasurer shall transfer eight million three hundred thousand dollars from the Cash Reserve Fund to the Trail Development and Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(11) The State Treasurer shall transfer fifty million dollars from the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after July 1, 2022, but before July 15, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(12) The State Treasurer shall transfer thirty million dollars from the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on or after July 1, 2022, but before July 15, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(13) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July 1, 2022, but before June 15, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(14) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Middle Income Workforce Housing Investment Fund on July 15, 2022, or as soon thereafter as administratively possible, and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(15) The State Treasurer shall transfer eighty million dollars from the Cash Reserve Fund to the Jobs and Economic Development Initiative Fund on or after July 1, 2022, but before July 15, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(16) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Site and Building Development Fund on July 15, 2022, or as soon thereafter as administratively possible, and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(17) The State Treasurer shall transfer fifty million dollars from the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund on or after July 15, 2022, but before January 1, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(18) The State Treasurer shall transfer fifteen million dollars from the Cash Reserve Fund to the Site and Building Development Fund on or before June 30, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(19) The State Treasurer shall transfer fifty-five million dollars from the Cash Reserve Fund to the Economic Recovery Contingency Fund on or before June 30, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(20) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the School Safety and Security Fund as soon as administratively possible after September 2, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(21) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the General Fund as soon as administratively possible after June 7, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(22) The State Treasurer shall transfer one million dollars from the Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as administratively possible after June 7, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(23) The State Treasurer shall transfer three million dollars from the Cash Reserve Fund to the Risk Loss Trust on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(24) The State Treasurer shall transfer eleven million three hundred twenty thousand dollars from the Cash Reserve Fund to the Health and Human Services Cash Fund on or after July 1, 2023, but on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(25) The State Treasurer shall transfer five hundred seventy-four million five hundred thousand dollars from the Cash Reserve Fund to the Perkins County Canal Project Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(26) The State Treasurer shall transfer one million four hundred thousand dollars from the Cash Reserve Fund to the State Building Revolving Fund on or before July 10, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(27) The State Treasurer shall transfer one million one hundred thousand dollars from the Cash Reserve Fund to the Accounting Division Revolving Fund on or before July 10, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(28) The State Treasurer shall transfer one million one hundred fifteen thousand dollars from the Cash Reserve Fund to the Public Safety Cash Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(29) The State Treasurer shall transfer one hundred million dollars from the Cash Reserve Fund to the Roads Operations Cash Fund before June 30, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(30) The State Treasurer shall transfer eighteen million seven hundred fifty thousand dollars from the Cash Reserve Fund to the State Self-Insured Indemnification Fund before June 30, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(31) The State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the Nebraska Public Safety Communication System Revolving Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(32) The State Treasurer shall transfer seventy million dollars from the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(33) The State Treasurer shall transfer two million dollars from the Cash Reserve Fund to the Site and Building Development Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(34) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Economic Development Cash Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(35) The State Treasurer shall transfer zero dollars from the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(36) The State Treasurer shall transfer zero dollars from the Cash Reserve Fund to the Middle Income Workforce Housing Investment Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(37) The State Treasurer shall transfer two hundred forty million dollars from the Cash Reserve Fund to the Economic Recovery Contingency Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(38) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the Critical Infrastructure Facilities Cash Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(39) The State Treasurer shall transfer four hundred forty million dollars from the General Fund to the Cash Reserve Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(40) The State Treasurer shall transfer zero dollars from the Cash Reserve Fund to the Site and Building Development Fund on or after July 1, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(41) The State Treasurer shall transfer one million dollars from the Cash Reserve Fund to the General Fund on or after July 1, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(42) The State Treasurer shall transfer twenty-five million four hundred fifty-eight thousand eight hundred dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund on or after July 1, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(43) The State Treasurer shall transfer two million five hundred thousand dollars from the Cash Reserve Fund to the Materiel Division Revolving Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(44) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the Youth Outdoor Education Innovation Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(45) The State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the Municipality Infrastructure Aid Fund on or after July 1, 2024, but before July 15, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 10. Original section 84-612, Revised Statutes Supplement, 2023, is repealed.

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