

LEGISLATIVE BILL 3

Approved by the Governor Approved by Governor

Introduced by Clements, 2; at the request of the Governor.

A BILL FOR AN ACT relating to funds; to amend sections 8-604, 9-1107, 13-2704, 37-345, 44-116, 48-1,103, 60-3,201.01, 60-1505, 60-1509, 60-1513, 72-232.02, 74-1317, 81-1010, 81-1110.04, 81-1117, and 81-1120.29, Reissue Revised Statutes of Nebraska; sections 37-327.03, 37-1017, 38-157, 39-1390, 61-222, 81-179, 81-829.33, 81-8,239.03, 81-1108.22, 81-12,224, 81-1558, 81-3714, and 84-1227, Revised Statutes Cumulative Supplement, 2022; sections 79-3109, 81-12,218, 81-15,174, 81-3142, and 85-2009, Revised Statutes Supplement, 2023; section 8-1120, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1074, section 48; section 48-621, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 36; section 59-1608.04, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 41; section 37-327.02, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1108, section 1; section 55-901, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 39; section 61-405, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 42; section 68-996, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB62, section 3, Laws 2024, LB857, section 9, Laws 2024, LB904, section 3, Laws 2024, LB905, section 2, and Laws 2024, LB1413, section 43; section 77-5601, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1317, section 95; section 37-1804, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 34; section 61-218, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1368, section 9; section 77-4025, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1204, section 36; section 84-612, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB600, section 9, and Laws 2024, LB1413, section 58; and section 86-324, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 59; to provide for, change, and eliminate fund transfers; to provide powers and duties; to change the use of certain funds and the investment earnings of certain funds; to eliminate obsolete provisions; to harmonize provisions; to repeal the original sections; and to declare an emergency.

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

Section 1. The State Treasurer shall transfer \$6,500,000 from the Health and Human Services Cash Fund to the General Fund on or 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.

Sec. 2. Section 8-604, Reissue Revised Statutes of Nebraska, is amended to read:

8-604 (1) The Financial Institution Assessment Cash Fund is hereby created. The fund shall be used solely for the purposes of administering and enforcing the laws specified in section 8-601.

(2) 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 3. Section 8-1120, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1074, section 48, is amended to read:

8-1120 (1) Except as otherwise provided in this section, the Securities Act of Nebraska shall be administered by the Director of Banking and Finance who may employ such deputies, examiners, assistants, or counsel as may be reasonably necessary for the purpose thereof. The employment of any person for the administration of the act is subject to section 49-1499.07. The director may delegate to a deputy director or counsel any powers, authority, and duties imposed upon or granted to the director under the act, such as may be lawfully delegated under the common law or the statutes of this state. The director may also employ special counsel with respect to any investigation conducted by him or her under the act or with respect to any litigation to which the director is a party under the act.

(2) A security issued by and representing an interest in or a debt of, or guaranteed by, any insurance company shall be registered, pursuant to the provisions of sections 8-1104 to 8-1109, with the Director of Insurance who shall as to such registrations administer and enforce the act, and as pertains to the administration and enforcement of such registration of such securities all references in the act to director shall mean the Director of Insurance.

(3)(a) It shall be unlawful for the director or any of his or her employees to use for personal benefit any information which is filed with or obtained by the director and which is not made public. Neither the director nor any of his or her employees shall disclose any confidential information except among themselves, when necessary or appropriate in a proceeding, examination, or investigation under the act, or as authorized in subdivision (3)(b) of this

subsection. No provision of the act shall either create or derogate from any privilege which exists at common law or otherwise when documentary or other evidence is sought under a subpoena directed to the director or any of his or her employees.

(b)(i) In administering the act, the director may also:

(A) Enter into agreements or relationships with other government officials, including, but not limited to, the securities administrator of a foreign state and the Securities and Exchange Commission, or self-regulatory organizations, to share resources, standardized or uniform methods or procedures, and documents, records, and information; or

(B) Accept and rely on examination or investigation reports made by other government officials, including, but not limited to, the securities administrator of a foreign state and the Securities and Exchange Commission, or self-regulatory organizations.

(ii) For purposes of this subdivision, foreign state means any state of the United States, other than the State of Nebraska, any territory of the United States, including Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Virgin Islands, and the District of Columbia.

(4) The director may adopt and promulgate rules and regulations and prescribe forms to carry out the act. No rule and regulation may be adopted and promulgated or form may be prescribed unless the director finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the act. In adopting and promulgating rules and regulations and prescribing forms the director may cooperate with the securities administrators of the other states and the Securities and Exchange Commission with a view to effectuating the policy of the Securities Act of Nebraska to achieve maximum uniformity in the form and content of registration statements, applications, and reports wherever practicable. All rules and regulations and forms of the director shall be published and made available to any person upon request.

(5) No provision of the act imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule and regulation, form, or order of the director, notwithstanding that the rule and regulation or form may later be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

(6) Every hearing in an administrative proceeding shall be public unless the director in his or her discretion grants a request joined in by all the respondents that the hearing be conducted privately.

~~(7)(a) (7)~~ The Securities Act Cash Fund is created. All filing fees, registration fees, and all other fees and all money collected by or paid to the director under any of the provisions of the act shall be remitted to the State Treasurer for credit to the fund, except that registration fees collected by or paid to the Director of Insurance pursuant to the provisions of the act shall be credited to the Department of Insurance Cash Fund. The Securities Act Cash Fund shall be used for the purpose of administering and enforcing the provisions of the act, except that transfers may be made to the General Fund at the direction of the Legislature. Any money in the Securities Act Cash 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.

(b) The State Treasurer shall transfer thirty-four million dollars from the Securities Act Cash Fund to the General Fund on or before June 30, 2026, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer twenty-eight million dollars from the Securities Act Cash Fund to the General Fund on or before June 30, 2027, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer twenty-eight million dollars from the Securities Act Cash Fund to the General Fund on or before June 30, 2028, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer twenty-eight million dollars from the Securities Act Cash Fund to the General Fund on or before June 30, 2029, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(8) A document is filed when it is received by the director. The director shall keep a register of all applications for registration and registration statements which are or have ever been effective under the Securities Act of Nebraska and all denial, suspension, or revocation orders which have ever been entered under the act. The register shall be open for public inspection. The information contained in or filed with any registration statement, application, or report may be made available to the public under such conditions as the director may prescribe.

(9) The director may, by rule and regulation or order, authorize or require the filing of any document required to be filed under the act by electronic or other means, processes, or systems.

(10) Upon request and at such reasonable charges as he or she shall prescribe, the director shall furnish to any person photostatic or other copies, certified under his or her seal of office if requested, of any entry in the register or any document which is a matter of public record. In any proceeding or prosecution under the act, any copy so certified shall be prima facie evidence of the contents of the entry or document certified.

(11) The director in his or her discretion may honor requests from interested persons for interpretative opinions.

Sec. 4. Section 9-1107, Reissue Revised Statutes of Nebraska, is amended to read:

9-1107 The Racing and Gaming Commission's Racetrack Gaming Fund is created. The fund shall consist of all license, application, and other fees collected under the Nebraska Racetrack Gaming Act. The fund shall be used for administration of the Nebraska Racetrack Gaming Act. Any money in the Racing and Gaming Commission's Racetrack Gaming 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 5. Section 13-2704, Reissue Revised Statutes of Nebraska, is amended to read:

13-2704 (1) The Civic and Community Center Financing Fund is created. The fund shall be administered by the department. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund. Transfers may be made from the Civic and Community Center Financing Fund fund to the General Fund, the Department of Revenue Enforcement Fund, and the State Colleges Sport Facilities Cash Fund at the direction of the Legislature.

(2)(a) The department shall use the Civic and Community Center Financing Fund for the following purposes:

- (i) For grants of assistance as described in section 13-2704.01;
- (ii) For grants of assistance as described in section 13-2704.02; and
- (iii) For reasonable and necessary costs of the department directly related to the administration of the fund.

(b) Grants of assistance shall not be used for programming, marketing, advertising, or facility-staffing activities.

(3) The State Treasurer shall transfer two hundred fifty thousand dollars from the Civic and Community Center Financing Fund to the State Colleges Sport Facilities Cash Fund on October 1 of 2012, 2013, and 2014. Commencing October 1, 2015, and every year thereafter, the State Treasurer shall transfer three hundred thousand dollars from the Civic and Community Center Financing Fund to the State Colleges Sport Facilities Cash Fund.

Sec. 6. Section 37-327.02, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1108, section 1, is amended to read:

37-327.02 (1) The Game and Parks Commission Capital Maintenance Fund is created. The fund shall consist of money credited to the fund pursuant to section 77-27,132, transfers authorized by the Legislature, and any gifts, grants, bequests, or donations to the fund. The fund shall be administered by the commission and shall be used to build, repair, renovate, rehabilitate, restore, modify, or improve any infrastructure within the statutory authority and administration of the commission. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) On or before December 1, 2021, and on or before December 1 of each year thereafter through 2027, the commission shall electronically submit a report to the Clerk of the Legislature and the Revenue Committee of the Legislature. The report shall include (a) a list of each project that received funding from the Game and Parks Commission Capital Maintenance Fund under subsection (1) of this section during the most recently completed fiscal year and (b) a list of projects that will receive such funding during the current fiscal year.

(3) Transfers may be made from the Game and Parks Commission Capital Maintenance Fund to the Nebraska Emergency Medical System Operations Fund at the direction of the Legislature. The State Treasurer shall transfer one million two hundred seventy thousand dollars from the Game and Parks Commission Capital Maintenance Fund to the Nebraska Emergency Medical System Operations Fund in June of each fiscal year beginning in June 2025, from the proceeds of the sales and use taxes imposed pursuant to section 77-2703 on the sale or lease of all-terrain vehicles and utility-type vehicles as provided in section 77-27,132, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 7. Section 37-327.03, Revised Statutes Cumulative Supplement, 2022, is amended to read:

37-327.03 The Game and Parks State Park Improvement and Maintenance Fund is created. The fund shall consist of transfers made by the Legislature, money credited to the fund pursuant to section 60-3,254, and any gifts, grants, bequests, or donations to the fund. The money credited to the fund pursuant to section 60-3,254 shall be used only for the improvement and maintenance of state recreational trails as defined in section 37-338. Any other money in the fund shall be used to build, repair, renovate, rehabilitate, restore, modify, or improve any infrastructure in the state park system. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 8. Section 37-345, Reissue Revised Statutes of Nebraska, is amended to read:

37-345 (1) The commission may establish and collect reasonable fees for the use of state park-operated facilities of a personal-service nature, such as cabins, camps, swimming facilities, boats, and other equipment or services of a similar nature. The commission, in its sole discretion, may grant concessions in state park areas for the provisions of certain appropriate services to the public, may grant permits for certain land or other resource utilization commensurate with the purposes of sections 37-337 to 37-348, and may prescribe and collect appropriate fees or rentals therefor.

(2) The proceeds of all such fees, rentals, or other revenue from operated facilities, concessions, or permits shall be credited to the State Park Cash Revolving Fund, which fund is hereby created in the state treasury, and shall be used by the commission solely for the improvement, maintenance, and operation of the state parks. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 9. Section 37-1017, Revised Statutes Cumulative Supplement, 2022, is amended to read:

37-1017 The Trail Development and Maintenance Fund is hereby created. The fund shall consist of transfers at the direction of the Legislature and any gifts, bequests, or other contributions to such fund from public or private entities. The Game and Parks Commission shall administer the fund to provide grants to natural resources districts to assist in completing the Missouri-Pacific trail between the cities of Lincoln and Omaha. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 10. Section 37-1804, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 34, is amended to read:

37-1804 (1) The Water Recreation Enhancement Fund is created. The fund shall be administered by the Game and Parks Commission. The State Treasurer shall credit to the fund any money transferred to the fund by the Legislature and such donations, gifts, bequests, or other money received from any federal or state agency or public or private source. Except as otherwise provided in subsection subsections (2) and (3) of this section, the fund shall be used for water and recreational projects pursuant to the Water Recreation Enhancement Act. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Water Recreation Enhancement 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. Prior to October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the fund. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) For any amount credited to the Water Recreation Enhancement Fund fund from a source other than a transfer authorized by the Legislature, the State Treasurer shall transfer an equal amount from the Water Recreation Enhancement Fund to the Jobs and Economic Development Initiative Fund at the end of the fiscal year in which such funds were credited, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services to be used pursuant to section 61-405.

~~(3) Transfers may be made from the investment earnings in the Water Recreation Enhancement Fund to the Panhandle Improvement Project Cash Fund at the direction of the Legislature. The State Treasurer shall transfer one million dollars on July 1, 2023, or as soon thereafter as administratively possible, from the Water Recreation Enhancement Fund to the Panhandle Improvement Project Cash Fund.~~

Sec. 11. Section 38-157, Revised Statutes Cumulative Supplement, 2022, is amended to read:

38-157 (1) The Professional and Occupational Credentialing Cash Fund is created. Except as provided in section 71-17,113, the fund shall consist of all fees, gifts, grants, and other money, excluding fines and civil penalties, received or collected by the department under sections 38-151 to 38-156 and the Nebraska Regulation of Health Professions Act.

(2) The department shall use the fund for the administration and enforcement of such laws regulating the individuals and businesses listed in section 38-121. Transfers may be made from the fund to the General Fund at the direction of the Legislature. The State Treasurer shall transfer any money in the Professional and Occupational Credentialing Cash Fund for licensing activities under the Water Well Standards and Contractors' Practice Act on July 1, 2021, to the Water Well Standards and Contractors' Licensing Fund.

(3) Any money in the Professional and Occupational Credentialing Cash 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 12. Section 39-1390, Revised Statutes Cumulative Supplement, 2022, is amended to read:

39-1390 The State Recreation Road Fund is created. The money in the fund

shall be transferred by the State Treasurer, on the first day of each month, to the department and shall be expended by the Director-State Engineer with the approval of the Governor for construction and maintenance of dustless-surface roads to be designated as state recreation roads as provided in this section, except that (1) transfers may be made from the fund to the State Park Cash Revolving Fund at the direction of the Legislature through July 31, 2016, and (2) if the balance in the State Recreation Road Fund exceeds fourteen million dollars on the first day of each month, the State Treasurer shall transfer the amount greater than fourteen million dollars to the Game and Parks State Park Improvement and Maintenance Fund. Except as to roads under contract as of March 15, 1972, those roads, excluding state highways, giving direct and immediate access to or located within state parks, state recreation areas, or other recreational or historical areas, shall be eligible for designation as state recreation roads. Such eligibility shall be determined by the Game and Parks Commission and certified to the Director-State Engineer, who shall, after receiving such certification, be authorized to commence construction on such recreation roads as funds are available. In addition, those roads, excluding state highways, giving direct and immediate access to a state veteran cemetery are state recreation roads. After construction of such roads they shall be shown on the map provided by section 39-1311. Preference in construction shall be based on existing or potential traffic use by other than local residents. Unless the State Highway Commission otherwise recommends, such roads upon completion of construction shall be incorporated into the state highway system. If such a road is not incorporated into the state highway system, the department and the county within which such road is located shall enter into a maintenance agreement establishing the responsibility for maintenance of the road, the maintenance standards to be met, and the responsibility for maintenance costs. Any money in the State Recreation Road 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 13. Section 44-116, Reissue Revised Statutes of Nebraska, is amended to read:

44-116 (1) All money collected by the Department of Insurance for examination of the affairs of domestic, foreign, or alien insurance companies and insurers as defined in and pursuant to the Insurers Examination Act or any other provision of Chapter 44 or for valuing the reserve liabilities of life insurance companies shall be remitted by the department to the State Treasurer for credit to the Department of Insurance Cash Fund, which fund is hereby created. Money in the Department of Insurance Cash Fund may be used for transfers to the General Fund at the direction of the Legislature. Any money in the Department of Insurance Cash 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.

(2) The State Treasurer shall transfer fourteen million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2026, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer eleven million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2027, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer eleven million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2028, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer eleven million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2029, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 14. Section 48-1,103, Reissue Revised Statutes of Nebraska, is amended to read:

48-1,103 There is hereby established in the state treasury a Workers' Compensation Claims Revolving Fund, to be administered by the Risk Manager, from which all workers' compensation costs, including prevention and administration, shall be paid. The fund may also be used to pay the costs of administering the Risk Management Program. The fund shall receive deposits from assessments against state agencies charged by the Risk Manager to pay for workers' compensation costs. When the amount of money in the Workers' Compensation Claims Revolving Fund is not sufficient to pay any awards or judgments under sections 48-192 to 48-1,109, the Risk Manager shall immediately advise the Legislature and request an emergency appropriation to satisfy such awards and judgments. Any money in the Workers' Compensation Claims Revolving 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 15. Section 48-621, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 36, is amended to read:

48-621 (1) The administrative fund shall consist of the Employment Security Administration Fund and the Employment Security Special Contingent Fund. Each fund shall be maintained as a separate and distinct account in all

respects, as follows:

(a) There is hereby created in the state treasury a special fund to be known as the Employment Security Administration Fund. All money credited to this fund is hereby appropriated and made available to the Commissioner of Labor. All money in this fund shall be expended solely for the purposes and in the amounts found necessary as defined by the specific federal programs, state statutes, and contract obligations for the proper and efficient administration of all programs of the Department of Labor. The fund shall consist of all money appropriated by this state and all money received from the United States of America or any agency thereof, including the Department of Labor and the Railroad Retirement Board, or from any other source for such purpose. Money received from any agency of the United States or any other state as compensation for services or facilities supplied to such agency, any amounts received pursuant to any surety bond or insurance policy for losses sustained by the Employment Security Administration Fund or by reason of damage to equipment or supplies purchased from money in such fund, and any proceeds realized from the sale or disposition of any equipment or supplies which may no longer be necessary for the proper administration of such programs shall also be credited to this fund. All money in the Employment Security Administration Fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as provided by law for other special funds in the state treasury. Any balances in this fund, except balances of money therein appropriated from the General Fund of this state, shall not lapse at any time. Fund balances shall be continuously available to the commissioner for expenditure consistent with the Employment Security Law. Any money in the Employment Security Administration 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; and

(b) There is hereby created in the state treasury a special fund to be known as the Employment Security Special Contingent Fund. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Employment Security Special Contingent 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund. All money collected under section 48-655 as interest on delinquent contributions, less refunds, shall be credited to the Employment Security Special Contingent Fund ~~this fund~~ from the clearing account of the Unemployment Compensation Fund at the end of each calendar quarter. Such money shall not be expended or available for expenditure in any manner to permit substitution for, or a corresponding reduction in, federal funds which, in the absence of such money, would be available to finance expenditures for the administration of the unemployment insurance law. However, nothing in this section shall prevent the money in the Employment Security Special Contingent Fund from being used as a revolving fund to cover necessary and proper expenditures under the law for which federal, state, or contractual funds are owed but have not yet been received. Upon receipt of such funds, covered expenditures shall be charged against such funds. Money in the Employment Security Special Contingent Fund may only be used by the Commissioner of Labor as follows:

(i) To replace within a reasonable time any money received by this state pursuant to section 302 of the federal Social Security Act, as amended, and required to be paid under section 48-622;

(ii) To meet special extraordinary and contingent expenses which are deemed essential for good administration but which are not provided in grants from the Secretary of Labor of the United States. No expenditures shall be made from this fund for this purpose except on written authorization by the Governor at the request of the Commissioner of Labor; and

(iii) To be transferred to the Job Training Cash Fund.

(2)(a) Money credited to the account of this state in the Unemployment Trust Fund by the United States Secretary of the Treasury pursuant to section 903 of the Social Security Act may not be requisitioned from this state's account or used except:

(i) For the payment of benefits pursuant to section 48-619; and

(ii) For the payment of expenses incurred for the administration of the Employment Security Law and public employment offices. Money requisitioned or used for this purpose must be pursuant to a specific appropriation by the Legislature. Any such appropriation law shall specify the amount and purposes for which the money is appropriated and must be enacted before expenses may be incurred and money may be requisitioned. Such appropriation is subject to the following conditions:

(A) Money may be obligated for a limited period ending not more than two years after the effective date of the appropriation law; and

(B) An obligated amount shall not exceed the aggregate amounts transferred to the account of this state pursuant to section 903 of the Social Security Act less the aggregate of amounts used by this state pursuant to the Employment Security Law and amounts charged against the amounts transferred to the account of this state.

(b) For purposes of subdivision (2)(a)(ii)(B) of this section, amounts appropriated for administrative purposes shall be charged against transferred amounts when the obligation is entered into.

(c) The appropriation, obligation, and expenditure or other disposition of money appropriated under this subsection shall be accounted for in accordance

with standards established by the United States Secretary of Labor.

(d) Money appropriated as provided in this subsection for the payment of administration expenses shall be requisitioned as needed for the payment of obligations incurred under such appropriation. Upon requisition, administration expenses shall be credited to the Employment Security Administration Fund from which such payments shall be made. Money so credited shall, until expended, remain a part of the Employment Security Administration Fund. If not immediately expended, credited money shall be returned promptly to the account of this state in the Unemployment Trust Fund.

(e) Notwithstanding subdivision (2)(a) of this section, money credited with respect to federal fiscal years 1999, 2000, and 2001 shall be used solely for the administration of the unemployment compensation program and are not subject to appropriation by the Legislature.

Sec. 16. Section 55-901, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 39, is amended to read:

55-901 (1) The Military Installation Development and Support Fund is created. The fund shall be used to contribute to construction, development, or support for any military installation, located in Nebraska, for purposes of improving mission retention and recruitment; supporting the morale, health, and mental wellness of military members and families; and growing the economic impact of military installations in Nebraska. The Department of Veterans' Affairs shall administer the fund. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests from any source, including federal, state, public, and private sources, for such purposes. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) The Military Installation Development and Support Fund fund may be used for any project that directly supports any military installation located in Nebraska.

(3) The Department of Veterans' Affairs shall require a match of public or private funding in an amount equal to or greater than one-half of the total cost of any project described in subsection (2) of this section prior to authorizing an expenditure from the fund.

(4) For purposes of this section, military installation means a base, camp, post, station, yard, center, armory, or other activity under the jurisdiction of the United States Department of Defense or the Nebraska Military Department.

Sec. 17. Section 59-1608.04, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 41, is amended to read:

59-1608.04 (1) The State Settlement Cash Fund is created. The fund shall be maintained by the Department of Justice and administered by the Attorney General. Except as otherwise provided by law, the fund shall consist of all recoveries received pursuant to the Consumer Protection Act, including any money, funds, securities, or other things of value in the nature of civil damages or other payment, except criminal penalties, whether such recovery is by way of verdict, judgment, compromise, or settlement in or out of court, or other final disposition of any case or controversy, or any other payments received on behalf of the state by the Department of Justice and administered by the Attorney General for the benefit of the state or the general welfare of its citizens, but excluding all funds held in a trust capacity where specific benefits accrue to specific individuals, organizations, or governments. The fund may be expended for any allowable legal purposes as determined by the Attorney General. Transfers from the State Settlement Cash Fund may be made at the direction of the Legislature to the Nebraska Capital Construction Fund, the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund, the Nebraska State Patrol Cash Fund, the Financial Literacy Cash Fund, and the General Fund. To provide necessary financial accountability and management oversight, revenue from individual settlement agreements or other separate sources credited to the State Settlement Cash Fund may be tracked and accounted for within the state accounting system through the use of separate and distinct funds, subfunds, or any other available accounting mechanism specifically approved by the Accounting Administrator for use by the Department of Justice. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) The State Treasurer shall transfer two million five hundred thousand dollars from the State Settlement Cash Fund to the Nebraska Capital Construction Fund on July 1, 2013, or as soon thereafter as administratively possible.

(3) The State Treasurer shall transfer eight hundred seventy-six thousand nine hundred ninety-eight dollars from the State Settlement Cash Fund to the General Fund on or before June 30, 2018, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(4) The State Treasurer shall transfer one million seven hundred fifty-six thousand six hundred thirty-nine dollars from the State Settlement Cash Fund to the General Fund on or before June 30, 2019, 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 one hundred twenty-five thousand dollars from the State Settlement Cash Fund to the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund on or before April 30, 2018, 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 fifty thousand dollars from the State Settlement Cash Fund to the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund on or before July 9, 2018, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 18. Section 60-3,201.01, Reissue Revised Statutes of Nebraska, is amended to read:

60-3,201.01 (1) The Department of Motor Vehicles shall build and maintain a new motor carrier services system for processing the issuance of vehicle registrations pursuant to section 60-3,198 and the assessment of the motor fuel tax under the International Fuel Tax Agreement Act. The Director of Motor Vehicles shall designate an implementation date for the new system which date is on or before July 1, 2025.

(2) The Motor Carrier Services System Replacement and Maintenance Fund is created. The fund shall consist of amounts credited under section 60-3,202. The fund shall be used for the building, implementation, and maintenance of a new motor carrier services system for processing the issuance of vehicle registrations pursuant to section 60-3,198 and the assessment of the motor fuel tax under the International Fuel Tax Agreement Act.

(3) Any money in the Motor Carrier Services System Replacement and Maintenance 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 19. Section 60-1505, Reissue Revised Statutes of Nebraska, is amended to read:

60-1505 The Vehicle Title and Registration System Replacement and Maintenance Cash Fund is hereby created. The fund shall be administered by the Department of Motor Vehicles. Revenue credited to the fund shall include fees collected by the department from participation in any multistate electronic data security program, except as otherwise specifically provided by law, and funds transferred as provided in section 60-3,186. The fund shall be used by the department to pay for costs associated with the acquisition, implementation, maintenance, support, upgrades, and replacement of the Vehicle Title and Registration System. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 20. Section 60-1509, Reissue Revised Statutes of Nebraska, is amended to read:

60-1509 (1) The Department of Motor Vehicles shall build and maintain a new operator's license services system for the issuance of operators' licenses and state identification cards. The Director of Motor Vehicles shall designate an implementation date for the new system which date is on or before July 1, 2032.

(2) The Operator's License Services System Replacement and Maintenance Fund is created. The fund shall consist of amounts credited under subsection (8) of section 60-483. The fund shall be used for the building, implementation, and maintenance of a new operator's license services system for the issuance of operators' licenses and state identification cards.

(3) Any money in the Operator's License Services System Replacement and Maintenance 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 21. Section 60-1513, Reissue Revised Statutes of Nebraska, is amended to read:

60-1513 The Department of Motor Vehicles Cash Fund is hereby created. The fund shall be administered by the Director of Motor Vehicles. In addition to money credited or remitted to the fund, the fund may also receive reimbursement from counties. The fund shall be used by the Department of Motor Vehicles to carry out its duties as deemed necessary by the Director of Motor Vehicles, except that transfers from the fund to the General Fund or the Vehicle Title and Registration System Replacement and Maintenance Cash Fund may be made at the direction of the Legislature. Any money in the Department of Motor Vehicles Cash 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

The State Treasurer shall transfer five million three hundred twenty-five thousand dollars from the Department of Motor Vehicles Cash Fund to the Vehicle Title and Registration System Replacement and Maintenance Cash Fund on or before June 30, 2017, as directed by the budget administrator of the budget

division of the Department of Administrative Services.

Sec. 22. Section 61-218, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1368, section 9, is amended to read:

61-218 (1) The Water Resources Cash Fund is created. The fund shall be administered by the Department of Natural Resources. 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.

(2) The State Treasurer shall credit to the fund such money as is (a) transferred to the fund by the Legislature, (b) paid to the state as fees, deposits, payments, and repayments relating to the fund, both principal and interest, (c) donated as gifts, bequests, or other contributions to such fund from public or private entities, (d) made available by any department or agency of the United States if so directed by such department or agency, (e) allocated pursuant to section 81-15,175, and (f) received by the state for settlement of claims relating to interstate river compacts or decrees regarding Colorado's past use of water under the Republican River Compact.

(3)(a) (3) The fund shall be expended by the department in any area that has adopted an integrated management plan as provided in section 46-715.

(b) The fund shall be used in any such area:

(i) To ~~(a)~~ to aid management actions taken to reduce consumptive uses of water;

(ii) To ~~or~~ to enhance streamflows or ground water recharge;

(iii) For any other activity deemed necessary by the department in the development and implementation of an integrated management plan;

(iv) For purposes of the Resilient Soils and Water Quality Act; or

(v) For ~~in river basins, subbasins, or reaches which are deemed by the department overappropriated pursuant to section 46-713 or fully appropriated pursuant to section 46-714 or are bound by an interstate compact or decree or a formal state contract or agreement,~~ (b) for purposes of projects or proposals described in the grant application as set forth in subdivision (2)(h) of section 81-15,175.

(c) To ~~, and (c)~~ to the extent funds are not expended pursuant to subdivision subdivisions (a) and (b) of this subsection, the department may conduct a statewide assessment of short-term and long-term water management activities and funding needs to meet statutory requirements in sections 46-713 to 46-718 and 46-739 and any requirements of an interstate compact or decree or formal state contract or agreement.

(d) The fund shall not be used to pay for administrative expenses or any salaries for the department or any political subdivision.

(4) It is the intent of the Legislature that three million three hundred thousand dollars be transferred each fiscal year from the General Fund to the Water Resources Cash Fund for FY2011-12 through FY2022-23, except that for FY2012-13 it is the intent of the Legislature that four million seven hundred thousand dollars be transferred from the General Fund to the Water Resources Cash Fund. It is the intent of the Legislature that the State Treasurer credit any money received from any Republican River Compact settlement to the Water Resources Cash Fund in the fiscal year in which it is received.

(5)(a) Expenditures from the Water Resources Cash Fund may be made to natural resources districts eligible under subsection (3) of this section for activities to either achieve a sustainable balance of consumptive water uses or assure compliance with an interstate compact or decree or a formal state contract or agreement and shall require a match of local funding in an amount equal to or greater than forty percent of the total cost of carrying out the eligible activity. The department shall, no later than August 1 of each year, beginning in 2007, determine the amount of funding that will be made available to natural resources districts from the Water Resources Cash Fund and notify natural resources districts of this determination. The department shall adopt and promulgate rules and regulations governing application for and use of the Water Resources Cash Fund by natural resources districts. Such rules and regulations shall, at a minimum, include the following components:

(i) Require an explanation of how the planned activity will achieve a sustainable balance of consumptive water uses or will assure compliance with an interstate compact or decree or a formal state contract or agreement as required by section 46-715 and the controls, rules, and regulations designed to carry out the activity; and

(ii) A schedule of implementation of the activity or its components, including the local match as set forth in subdivision (5)(a) of this section.

(b) Any natural resources district that fails to implement and enforce its controls, rules, and regulations as required by section 46-715 shall not be eligible for funding from the Water Resources Cash Fund until it is determined by the department that compliance with the provisions required by section 46-715 has been established.

(6) The Department of Natural Resources shall submit electronically an annual report to the Legislature no later than October 1 of each year, beginning in the year 2007, that shall detail the use of the Water Resources Cash Fund in the previous year. The report shall provide:

(a) Details regarding the use and cost of activities carried out by the department; and

(b) Details regarding the use and cost of activities carried out by each natural resources district that received funds from the Water Resources Cash Fund.

(7)(a) Prior to the application deadline for fiscal year 2011-12, the

Department of Natural Resources shall apply for a grant of nine million nine hundred thousand dollars from the Nebraska Environmental Trust Fund, to be paid out in three annual installments of three million three hundred thousand dollars. The purposes listed in the grant application shall be consistent with the uses of the Water Resources Cash Fund provided in this section and shall be used to aid management actions taken to reduce consumptive uses of water, to enhance streamflows, to recharge ground water, or to support wildlife habitat in any river basin determined to be fully appropriated pursuant to section 46-714 or designated as overappropriated pursuant to section 46-713.

(b) If the application is granted, funds received from such grant shall be remitted to the State Treasurer for credit to the Water Resources Cash Fund for the purpose of supporting the projects set forth in the grant application. The department shall include in its grant application documentation that the Legislature has authorized a transfer of three million three hundred thousand dollars from the General Fund into the Water Resources Cash Fund for each of fiscal years 2011-12 and 2012-13 and has stated its intent to transfer three million three hundred thousand dollars to the Water Resources Cash Fund for fiscal year 2013-14.

(c) It is the intent of the Legislature that the department apply for an additional three-year grant that would begin in fiscal year 2014-15, an additional three-year grant from the Nebraska Environmental Trust Fund that would begin in fiscal year 2017-18, and an additional three-year grant from the Nebraska Environmental Trust Fund that would begin in fiscal year 2020-21 if the criteria established in subsection (4) of section 81-15,175 are achieved.

(8) The department shall establish a subaccount within the Water Resources Cash Fund for the accounting of all money received as a grant from the Nebraska Environmental Trust Fund as the result of an application made pursuant to subsection (7) of this section. At the end of each calendar month, the department shall calculate the amount of interest earnings accruing to the subaccount and shall notify the State Treasurer who shall then transfer a like amount from the Water Resources Cash Fund to the Nebraska Environmental Trust Fund.

(9) Any funds transferred from the Nebraska Environmental Trust Fund to the Water Resources Cash Fund shall be expended in accordance with section 81-15,168.

(10) The State Treasurer shall transfer one million dollars from the Water Resources Cash Fund to the Nitrogen Reduction Incentive Cash Fund as soon as administratively possible after the effective date of this act, 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.

Sec. 23. Section 61-222, Revised Statutes Cumulative Supplement, 2022, is amended to read:

61-222 The Water Sustainability Fund is created in the Department of Natural Resources. The fund shall be used in accordance with the provisions established in sections 2-1506 to 2-1513 and for costs directly related to the administration of the fund. The Legislature shall not appropriate or transfer money from the Water Sustainability Fund for any other purpose, except that transfers may be made from the Water Sustainability Fund to the Department of Natural Resources Cash Fund and as a one-time transfer to the General Fund as described in this section.

The Water Sustainability Fund shall consist of money transferred to the fund by the Legislature, other funds as appropriated by the Legislature, and money donated as gifts, bequests, or other contributions from public or private entities. Funds made available by any department or agency of the United States may also be credited to the fund if so directed by such department or agency. 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. Prior to October 1, 2024, investment earnings from investment of money in the fund shall be credited to the fund. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

It is the intent of the Legislature that twenty-one million dollars be transferred from the General Fund to the Water Sustainability Fund in fiscal year 2014-15 and that eleven million dollars be transferred from the General Fund to the Water Sustainability Fund each fiscal year beginning in fiscal year 2015-16.

The State Treasurer shall transfer one hundred seventy-five thousand dollars from the Water Sustainability Fund to the Department of Natural Resources 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.

The State Treasurer shall transfer four hundred twenty-five thousand dollars from the Water Sustainability Fund to the Department of Natural Resources 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.

The State Treasurer shall transfer five hundred thousand dollars from the Water Sustainability Fund to the General 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.

The State Treasurer shall transfer four hundred seventy-five thousand dollars from the Water Sustainability Fund to the Department of Natural

Resources Cash 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.

The State Treasurer shall transfer four hundred seventy-five thousand dollars from the Water Sustainability Fund to the Department of Natural Resources Cash 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.

Sec. 24. Section 61-405, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 42, is amended to read:

61-405 (1) The Jobs and Economic Development Initiative Fund is created. The fund shall be administered by the Department of Natural Resources. The State Treasurer shall credit to the fund any money transferred to the fund by the Legislature and such donations, gifts, bequests, or other money received from any federal or state agency or public or private source. The fund shall be used for water and recreational projects pursuant to the Jobs and Economic Development Initiative Act. Transfers may be made from the fund to the Cash Reserve Fund or the Roads Operations Cash Fund at the direction of the Legislature. Any money in the Jobs and Economic Development Initiative 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. Prior to October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the fund. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) An amount, not to exceed twenty million dollars, shall be available for site selection costs, feasibility and public water supply studies, and flood mitigation costs of the Department of Natural Resources related to any projects pursuant to the Jobs and Economic Development Initiative Act. The Department of Natural Resources shall, in cooperation with impacted communities, including, but not limited to, any city of the primary class and metropolitan utilities district, contract with an independent consultant to conduct a study on the consequences of any lake located in the Lower Platte River Basin to the public water supply of such communities. Such study shall consider all aspects of water quality, water quantity, and water infrastructure, and any other issues necessary to protect the public water supply, including the impact to future water supply opportunities to the impacted communities.

(3) No funds shall be expended for any project, other than those enumerated in subsection (2) of this section, from the Jobs and Economic Development Initiative Fund unless the Director of Natural Resources certifies to the budget administrator of the budget division of the Department of Administrative Services that the Department of Natural Resources has conducted any environmental, hydrological, or other feasibility studies the director deems necessary to establish the feasibility of any projects pursuant to the Jobs and Economic Development Initiative Act and that, based on the results of such studies, the director has deemed the projects feasible.

Sec. 25. Section 68-996, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB62, section 3, Laws 2024, LB857, section 9, Laws 2024, LB904, section 3, Laws 2024, LB905, section 2, and Laws 2024, LB1413, section 43, is amended to read:

68-996 (1) The Medicaid Managed Care Excess Profit Fund is created. The fund shall contain money returned to the State Treasurer pursuant to subdivision (3) of section 68-995.

(2) The fund shall first be used to offset any losses under subdivision (2) of section 68-995 and then to provide for services addressing the health needs of adults and children under the Medical Assistance Act, including filling service gaps, providing system improvements, providing evidence-based early intervention home visitation programs, providing medical respite services, translation and interpretation services, providing coverage for continuous glucose monitors as described in section 68-911, providing other services sustaining access to care, the Nebraska Prenatal Plus Program, and providing grants pursuant to the Intergenerational Care Facility Incentive Grant Program as determined by the Legislature. The fund shall only be used for the purposes described in this section.

(3) 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 26. Section 72-232.02, Reissue Revised Statutes of Nebraska, is amended to read:

72-232.02 The Board of Educational Lands and Funds shall pay the costs of administering the unsold school lands out of receipts from school land income. A cash fund is hereby authorized and the State Treasurer shall, out of the receipts for school land income, deposit in such cash fund that amount appropriated by the Legislature for each fiscal year on the first day of each fiscal year. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 27. Section 74-1317, Reissue Revised Statutes of Nebraska, is amended to read:

74-1317 In order to promote public safety at the intersection of railroad lines and all classes of highways, there is hereby created a special fund known

as the Grade Crossing Protection Fund which shall be established in the state treasury to be used in furnishing financial assistance in the improvement of the safety of railroad grade crossings in this state, including the elimination of such crossings, the construction, substantial modification, or improvement of and the maintenance of automatic crossing protection at such grade crossings, and the construction and maintenance of overpasses and underpasses at railroad crossings. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 28. Section 77-4025, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1204, section 36, is amended to read:

77-4025 (1) There is hereby created a cash fund in the Department of Revenue to be known as the Tobacco Products Administration Cash Fund. All revenue collected or received by the Tax Commissioner from the license fees, certification fees, and taxes imposed by the Tobacco Products Tax Act shall be remitted to the State Treasurer for credit to the Tobacco Products Administration Cash Fund, except that all such revenue relating to electronic nicotine delivery systems shall be remitted to the State Treasurer for credit to the General Fund.

(2) All costs required for administration of the Tobacco Products Tax Act shall be paid from the Tobacco Products Administration Cash Fund. Credits and refunds allowed under the act shall be paid from the Tobacco Products Administration Cash Fund. Any receipts, after credits and refunds, in excess of the amounts sufficient to cover the costs of administration may be transferred to the General Fund at the direction of the Legislature.

(3) The State Treasurer shall transfer nine million dollars from the Tobacco Products Administration Cash Fund to the General Fund on or before June 30, 2026, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer nine million dollars from the Tobacco Products Administration Cash Fund to the General Fund on or before June 30, 2027, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer nine million dollars from the Tobacco Products Administration Cash Fund to the General Fund on or before June 30, 2028, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer nine million dollars from the Tobacco Products Administration Cash Fund to the General Fund on or before June 30, 2029, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

~~(4)~~ (3) Any money in the Tobacco Products Administration Cash 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.

Sec. 29. Section 77-5601, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1317, section 95, is amended to read:

77-5601 (1) From August 1, 2004, through October 31, 2004, there shall be conducted a tax amnesty program with regard to taxes due and owing that have not been reported to the Department of Revenue. Any person applying for tax amnesty shall pay all unreported taxes that were due on or before April 1, 2004. Any person that applies for tax amnesty and is accepted by the Tax Commissioner shall have any penalties and interest waived on unreported and delinquent taxes notwithstanding any other provisions of law to the contrary.

(2) To be eligible for the tax amnesty provided by this section, the person shall apply for amnesty within the amnesty period, file a return for each taxable period for which the amnesty is requested by December 31, 2004, if no return has been filed, and pay in full all taxes for which amnesty is sought with the return or within thirty days after the application if a return was filed prior to the amnesty period. Tax amnesty shall not be available for any person that is under civil or criminal audit, investigation, or prosecution for unreported or delinquent taxes by this state or the United States Government on or before April 16, 2004.

(3) The department shall not seek civil or criminal prosecution against any person for any taxable period for which amnesty has been granted. The Tax Commissioner shall develop forms for applying for the tax amnesty program, develop procedures for qualification for tax amnesty, and conduct a public awareness campaign publicizing the program.

(4) If a person elects to participate in the amnesty program, the election shall constitute an express and irrevocable relinquishment of all administrative and judicial rights to challenge the imposition of the tax or its amount. Nothing in this section shall prohibit the department from adjusting a return as a result of any state or federal audit.

(5)(a) Except for any local option sales tax collected and returned to the appropriate municipality and any motor vehicle fuel, diesel fuel, and compressed fuel taxes, which shall be deposited in the Highway Trust Fund or Highway Allocation Fund as provided by law, no less than eighty percent of all revenue received pursuant to the tax amnesty program shall be deposited in the General Fund and ten percent, not to exceed five hundred thousand dollars, shall be deposited in the Department of Revenue Enforcement Fund. Any amount

that would otherwise be deposited in the Department of Revenue Enforcement Fund that is in excess of the five-hundred-thousand-dollar limitation shall be deposited in the General Fund.

(b) For fiscal year 2005-06, all proceeds in the Department of Revenue Enforcement Fund shall be appropriated to the department for purposes of employing investigators, agents, and auditors and otherwise increasing personnel for enforcement of the Nebraska Revenue Act of 1967.

(c) For fiscal years after fiscal year 2005-06, twenty percent of all proceeds received during the previous calendar year due to the efforts of auditors and investigators hired pursuant to subdivision (5)(b) of this section, not to exceed seven hundred fifty thousand dollars, shall be deposited in the Department of Revenue Enforcement Fund for purposes of employing investigators and auditors or continuing such employment for purposes of increasing enforcement of the act.

(d) Ten percent of all proceeds received during each calendar year due to the contracts entered into pursuant to section 77-367 shall be deposited in the Department of Revenue Enforcement Fund for purposes of identifying nonfilers of returns, underreporters, nonpayers of taxes, and improper or fraudulent payments.

(6)(a) The department shall prepare a report by April 1, 2005, and by February 1 of each year thereafter detailing the results of the tax amnesty program and the subsequent enforcement efforts. For the report due April 1, 2005, the report shall include (i) the amount of revenue obtained as a result of the tax amnesty program broken down by tax program, (ii) the amount obtained from in-state taxpayers and from out-of-state taxpayers, and (iii) the amount obtained from individual taxpayers and from business enterprises.

(b) For reports due in subsequent years, the report shall include (i) the number of personnel hired for purposes of subdivision (5)(b) of this section and their duties, (ii) a description of lists, software, programming, computer equipment, and other technological methods acquired and the purposes of each, and (iii) the amount of new revenue obtained as a result of the new personnel and acquisitions during the prior calendar year, broken down into the same categories as described in subdivision (6)(a) of this section.

(7) The Department of Revenue Enforcement Fund is created. Transfers may be made from the Department of Revenue Enforcement Fund to the General Fund at the direction of the Legislature. The Department of Revenue Enforcement Fund may receive transfers from the Civic and Community Center Financing Fund at the direction of the Legislature for the purpose of administering the Sports Arena Facility Financing Assistance Act. The Department of Revenue Enforcement Fund shall include any money credited to the fund (a) under section 77-2703, and such money shall be used by the Department of Revenue to defray the costs incurred to implement Laws 2019, LB237, (b) under the Mechanical Amusement Device Tax Act, and such money shall be used by the department to defray the costs incurred to implement and enforce Laws 2019, LB538, and any rules and regulations adopted and promulgated to carry out Laws 2019, LB538, (c) under section 77-2906, and such money shall be used by the Department of Revenue to defray the costs incurred to implement Laws 2020, LB310, and (d) under section 28 of this act. Any money in the Department of Revenue Enforcement 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(8) For purposes of this section, taxes mean any taxes collected by the department, including, but not limited to state and local sales and use taxes, individual and corporate income taxes, financial institutions deposit taxes, motor vehicle fuel, diesel fuel, and compressed fuel taxes, cigarette taxes, transfer taxes, and charitable gaming taxes.

Sec. 30. Section 79-3109, Revised Statutes Supplement, 2023, is amended to read:

79-3109 The School Safety and Security Fund is created. The fund shall be administered by the State Department of Education and shall consist of any money transferred by the Legislature and any gifts, grants, or bequests. The department shall use money in the fund for grants for security-related infrastructure projects pursuant to section 79-3108. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 31. Section 81-179, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-179 (1) There is hereby created under the control of the Governor, for allocation to building renewal projects of the various agencies, a fund to be known as the Building Renewal Allocation Fund. The fund shall contain the revenue from the special privilege tax as provided in section 77-2602 and such other money as is appropriated by the Legislature. Such appropriation is declared to consist of building renewal funds which shall be kept separate and distinct from the program continuation funds and project construction funds.

(2) Separate subfunds, subprograms, projects, or accounts shall be established to separately account for any expenditures on state buildings or facilities to comply with the federal Americans with Disabilities Act of 1990. A minimal amount of the funds contained in the subfunds, subprograms, projects, or accounts may be used for planning and evaluation of buildings and facilities.

(3) The budget division of the Department of Administrative Services may administratively transfer funds to appropriate accounting entities to correctly account for the operating expenditures. A separate fund, cash fund, project, or other account may be administratively established for such purpose.

(4) 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(5) The State Treasurer shall transfer seven hundred eighty-three thousand six hundred sixty-seven dollars from the Building Renewal Allocation Fund to the General Fund on or after June 15, 2018, but before June 30, 2018, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services.

(6) The State Treasurer shall transfer two hundred thousand dollars from the Building Renewal Allocation Fund to the General Fund on or after June 15, 2019, but before June 30, 2019, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services.

(7) The State Treasurer shall transfer one million seven hundred sixteen thousand three hundred thirty-three dollars from the Building Renewal Allocation Fund to the Accounting Division Cash Fund on July 1, 2017, or as soon thereafter as administratively possible.

(8) The State Treasurer shall transfer two million three hundred thousand dollars from the Building Renewal Allocation Fund to the Accounting Division Cash Fund on July 1, 2018, or as soon thereafter as administratively possible.

Sec. 32. Section 81-829.33, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-829.33 The Governor's Emergency Cash Fund is created. The fund shall consist of federal reimbursements received by the state for eligible state administrative costs incurred by the Nebraska Emergency Management Agency for administering federal emergency disaster declarations and revenue from all other nonfederal government sources. Except as provided in section 90-270, the fund shall be used to pay eligible costs related to state emergency disaster declarations. The fund shall be administered by the State Administrator of the Nebraska Emergency Management Agency. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Transfers may be made from the Governor's Emergency Cash Fund to the Cash Reserve Fund and General Fund at the direction of the Legislature. The State Treasurer shall transfer zero dollars from the Governor's Emergency Cash Fund to the Cash Reserve Fund by 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.

Sec. 33. Section 81-8,239.03, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-8,239.03 The Risk Manager shall present a budget request as provided in subdivision (1) of section 81-1113 for the Risk Management Program which shall separately state the amount requested for the Tort Claims Fund, State Insurance Fund, State Self-Insured Property Fund, State Self-Insured Indemnification Fund, and Workers' Compensation Claims Revolving Fund, and such budget shall be based on the projected needs for such funds. If the Risk Manager does not assess state agencies for any of the funds listed in this section, the amount of expenditures paid from the fund on behalf of any non-general-fund agency shall be separately stated and paid into the funds from an appropriation to such non-general-fund agency. If the amount of money in any of such funds is not sufficient to pay any awards or judgments authorized by sections 48-192 to 48-1,109 or the State Tort Claims Act, the Risk Manager shall immediately advise the Legislature and request an emergency appropriation to satisfy such awards and judgments. Any money in such funds 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. Beginning October 1, 2024, any investment earnings from investment of money in the State Insurance Fund shall be credited to the General Fund.

Sec. 34. Section 81-1010, Reissue Revised Statutes of Nebraska, is amended to read:

81-1010 The chief of the transportation services bureau shall have the following duties and responsibilities:

(1) To establish standards which a state agency must meet for the full-time assignment of state-owned vehicles;

(2) To create a motor pool or motor pools of bureau fleet vehicles for the use of agencies whose travel requirements do not meet the standards established under subdivision (1) of this section;

(3) To repair, maintain, and lease to state agencies state-owned vehicles and approve the acquisition, sale, or trade of each and every state-owned vehicle made by the materiel division of the Department of Administrative Services. The bureau may provide for repair and maintenance pursuant to subdivision (8) of this section;

(4) To consult with the various state agencies using bureau fleet vehicles and write specifications for state-owned vehicles to be purchased by the materiel division;

(5) To provide for the purchase only of state-owned vehicles used primarily for the transportation of state employees from funds received from the sale of surplus state-owned vehicles;

(6) To present to the accounting division of the Department of Administrative Services cost and maintenance records of state-owned vehicles and cost records of rented bureau fleet vehicles so that the various state agencies which use bureau fleet vehicles may be billed for such use. Income arising from these billings shall be deposited to the Transportation Services Bureau Revolving Fund, which fund is hereby created. All expenses of acquisition, operation, and maintenance of state-owned vehicles used primarily for transportation of state employees and of rental of bureau fleet vehicles shall be paid from such fund. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund. Money in the Transportation Services Bureau Revolving Fund may be transferred to the General Fund at the direction of the Legislature. The Department of Administrative Services shall develop a system of time and mileage charges for the purpose of billing the various state agencies for their vehicle usage. The daily, weekly, or monthly charge shall cover all fixed expenses of such vehicles, and the mileage charge shall cover the variable costs of operation;

(7) To monitor the utilization of permanently assigned bureau fleet vehicles and enforce minimum utilization standards by withdrawing permanently assigned bureau fleet vehicles from agencies which are not meeting the standards established under subdivision (1) of this section;

(8) To enter into service agreements for the repair and maintenance of bureau fleet vehicles when it is determined that such action would be to the economic advantage of the state;

(9) To insure compliance with section 81-1021 for all state-owned vehicles; and

(10) To enter into rental agreements with any third-party fleet owner in the name of the State of Nebraska for passenger vehicles for use primarily for transportation of state employees for transportation in their official duties from one job location to another when it is determined that such action would be to the economic advantage of the state.

Sec. 35. Section 81-1108.22, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-1108.22 (1) The division shall have the responsibility of providing office space in leased and state-owned buildings in the proximity of the State Capitol and in other locations.

(2) When any board, agency, commission, or department of the state government not otherwise specifically authorized by law desires to use funds available for the purpose of renting office space outside of the State Capitol, it shall submit a request to the Director of Administrative Services. If the director approves the lease, the terms and location shall be approved by the director and the administrator in writing and the leases shall be entered into and administered by the administrator on behalf of the board, agency, commission, or department. A copy of all such lease contracts shall be kept on file by the state building division and shall be open to inspection by the Legislature and the public during normal business hours.

(3)(a) The administrator shall develop a system of charges to cover basic rental, maintenance, renovations, and operation of such leased and owned properties. The charges to state agencies, boards, commissions, or departments of state government shall be paid from funds available for the purpose of renting space on a regular basis and placed, as applicable, in the State Building Revolving Fund and the State Building Renewal Assessment Fund. The administrator shall make payments for basic rentals, renovations, and maintenance and operational costs of all leased and owned buildings from the State Building Revolving Fund except for expenses relating to security provided by the Nebraska State Patrol as provided in subdivision (b) of this subsection.

(b) The State Building Revolving Fund is created. The fund shall be administered by the administrator. The fund shall consist of rental charges and other receipts collected pursuant to contractual agreements between the state building division and other entities as authorized by law. The fund shall only be used to support the operation of the state building division as provided by law, except that the Legislature shall make fund transfers each fiscal year through the budget process from the State Building Revolving Fund to the Capitol Security Revolving Fund to help pay non-general-fund costs associated with the operation of the state capitol security division of the Nebraska State Patrol. Any money in the State Building Revolving 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(4) The charges for such leased and owned properties shall only be adjusted by the administrator on July 1. Prior to any adjustment in the system of charges, the Department of Administrative Services, on or before December 1 of the year preceding the effective date of such adjustment, shall provide electronic notification to the Committee on Building Maintenance, the Clerk of the Legislature, and the Legislative Fiscal Analyst of the proposed adjustment to the system of charges.

(5) Commencing on April 18, 1992, all leases of real property entered into

by any state agency, board, commission, or department shall be subject to this section. Leases held by a state agency, board, commission, or department on such date shall be valid until the lease contract is terminated or is subject to renewal. The division shall monitor all such leases and determine when the lease is subject to renewal. Once the determination is made, the division shall cancel the lease as of the renewal date and shall treat the need of the agency, board, commission, or department as an original request for space and subject to this section. This subsection shall not apply to (a) state-owned facilities to be rented to state agencies or other parties by the University of Nebraska, the Nebraska state colleges, the Department of Transportation, and the Board of Educational Lands and Funds, (b) facilities to be leased for use by the University of Nebraska, the Nebraska state colleges, and the Board of Educational Lands and Funds, (c) facilities to be leased for nonoffice use by the Department of Transportation, or (d) facilities controlled by the State Department of Education, which were formerly controlled by the Nebraska School for the Visually Handicapped, to be rented to state agencies or other parties by the department.

Sec. 36. Section 81-1110.04, Reissue Revised Statutes of Nebraska, is amended to read:

81-1110.04 The Accounting Division Revolving Fund is created. The fund shall consist of (1) accounting assessments received from state agencies, boards, and commissions, (2) interest earnings credited and transferred to the fund, (3) payments received for services rendered by the accounting division, and (4) rebate revenue transferred to the fund from certain state purchasing card programs. The fund shall be used for payment of administrative expenses of the accounting division of the Department of Administrative Services. The fund shall be administered by the Accounting Administrator. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 37. Section 81-1117, Reissue Revised Statutes of Nebraska, is amended to read:

81-1117 (1) As used in this section, unless the context otherwise requires, information management includes, but is not limited to:

(a) Mainframe computers, minicomputers, microprocessors, word processors, and desktop computers;

(b) Any peripheral device to be used with the equipment listed in subdivision (1)(a) of this section for such purposes as data input and output, data storage, or data communications;

(c) Any code or program to control the operation of the equipment or devices listed in subdivision (1)(a) or (1)(b) of this section; and

(d) Employment of professional expertise for computer system design, operations, or program development.

(2) Subject to review and approval by the Chief Information Officer, the information management services administrator shall have the following powers, duties, and responsibilities:

(a) He or she may review the accounting and other records and reporting systems of all divisions within the Department of Administrative Services and within every other department and agency of the state;

(b) He or she shall systematically review the potential application of information management to any work performed outside the information management services division or by any department or agency of the state or any subdivision of any department or agency of the state, and if the costs of mechanizing such work will not exceed present costs or if efficiencies may be achieved, he or she may accept responsibility for the performance of such work. He or she may also review computer applications being used to determine if revision or deletion of computer applications would be beneficial. The findings of reviews made pursuant to this subdivision shall be reported to the Governor and the Legislative Fiscal Analyst. The findings submitted to the Legislative Fiscal Analyst shall be submitted electronically;

(c) He or she may, with the approval of the Chief Information Officer, make such revisions to internal systems for production of accounting and other reports as may be necessary to permit economical undertaking of work to be performed by the information management services division for any agency or department of the state;

(d) He or she shall organize the information management services division to provide system review, system design, feasibility studies, and machine reviews;

(e) He or she may review the operations of information management installations as may exist in any department or agency of the state and may cause such operations to be merged with those of the information management services division in the event that a cost analysis shows that economic advantage may be achieved. He or she may permit the establishment of departmental or agency information management operations in any department or agency of the state if his or her analysis of feasibility shows a potential economy or a substantial convenience for the state incident to such separate establishment. No state agency shall hire, purchase, lease, or rent any information management item listed in subsection (1) of this section without the written approval of the information management services administrator. All new computer programs developed or acquired for use with information management equipment of any state agency shall be documented according to standards developed or approved by the information management services administrator;

(f) He or she shall prepare a budget in sufficient time in advance of the statutory date for submittal of budget requests by departments and agencies of the state as to permit each department and agency for which services are performed, or are to be performed during the request budget period, to be informed of the cost of maintaining the current fiscal year's production work for inclusion within their respective budget requests;

(g) He or she shall provide for a system of charges for services rendered by the information management services division or the Nebraska Information Technology Commission to any other department or agency of the state when these charges are allocable to a particular project carried on by such department or division. Such standard rate charges shall, as nearly as may be practical, reflect the actual costs incurred in the performance of services for such department or agency. Such system of charges shall be annually reviewed by the Legislature's Committee on Appropriations. Rates planned for the coming fiscal year shall be included in the instructions for completion of budget request forms as annually prepared by the Department of Administrative Services budget division. If rate revisions are required during the fiscal year to reflect changes in the information management services division's operating costs, these revisions shall be announced to state agencies at least thirty days prior to their use in billing these agencies for service. Miscellaneous supplies shall be billed to using agencies at actual cost. Equipment used primarily by one agency for special applications shall be billed to that agency at actual cost. In the event of saturation of the information management services division with the resulting need for contractual support to be furnished by another information management installation, agencies shall be billed at actual cost. The charges received by the department for information management services shall be credited to a fund hereby created which shall be known as the Information Management Revolving Fund. Expenditures shall be made from such fund to finance the operations of the information management services division or the Nebraska Information Technology Commission in accordance with appropriations made by the Legislature. Any money in the Information Management Revolving 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund;

(h) He or she may provide information management services and technical assistance to any subdivision of government as provided for under the Interlocal Cooperation Act or the Joint Public Agency Act;

(i) He or she shall provide for the centralization of all administrative work, including that of educational institutions, into the information management services division;

(j) He or she shall provide definitions of standards and common data elements, coordinate the collection of data, consolidate data files or data banks, and review and approve or disapprove the establishment of separate data banks; and

(k) He or she shall provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 86-521.

Each member of the Legislature shall receive an electronic copy of the report required by subdivision (2)(b) of this section by making a request for it to the administrator.

Sec. 38. Section 81-1120.29, Reissue Revised Statutes of Nebraska, is amended to read:

81-1120.29 There is hereby established a revolving fund to be known as the Communications Revolving Fund. Beginning July 1, 2011, appropriations made to the division of communications of the office of Chief Information Officer for the purposes of sections 81-1120.01 to 81-1120.28 shall be credited to the fund. Beginning July 1, 2011, all funds received under such sections and all funds received for communications services provided to any agency, department, political subdivision, or other user shall be credited to the fund. The division shall, under policies and procedures established by the director, expend funds from time to time credited to the fund for the communications purposes enumerated in such sections. Any money in the Communications Revolving 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 39. Section 81-12,218, Revised Statutes Supplement, 2023, is amended to read:

81-12,218 (1) The Nebraska Rural Projects Fund is hereby created. The fund shall receive money from application fees paid under the Nebraska Rural Projects Act and from transfers authorized by the Legislature, grants, private contributions, repayments of matching funds, and all other sources. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) Distributions of matching funds shall only be made from the Nebraska Rural Projects Fund ~~fund~~ in amounts determined pursuant to section 81-12,211.

Sec. 40. Section 81-12,224, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-12,224 The Shovel-Ready Capital Recovery and Investment Fund is

created. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests from any source, including federal, state, public, and private sources. The fund shall be administered by the department and shall be used to make grants under the Shovel-Ready Capital Recovery and Investment 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 41. Section 81-1558, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-1558 There is hereby created within the state treasury a fund to be known as the Nebraska Litter Reduction and Recycling Fund. The proceeds of the fee imposed by sections 81-1559 to 81-1560.02, money received by the department as gifts, donations, or contributions toward the goals stated in section 81-1535, and money received by the department for nonprofit activities concerning litter reduction and recycling, including, but not limited to, honoraria, literature furnished by the department, and funds realized as reimbursement for expenses in conducting educational forums, shall be remitted to the State Treasurer for credit to such fund to be used for the administration and enforcement of the Nebraska Litter Reduction and Recycling Act. Any money in the Nebraska Litter Reduction and Recycling 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 42. Section 81-15,174, Revised Statutes Supplement, 2023, is amended to read:

81-15,174 The Nebraska Environmental Trust Fund is created. The fund shall be maintained in the state accounting system as a cash fund. Except as otherwise provided in this section, the fund shall be used to carry out the purposes of the Nebraska Environmental Trust Act, including the payment of administrative costs. Money in the fund shall include proceeds credited pursuant to section 9-812 and proceeds designated by the board pursuant to section 81-15,173. Transfers may be made from the Nebraska Environmental Trust Fund to the Water Resources Cash Fund at the direction of the Legislature, and any money so transferred shall be expended in accordance with section 81-15,168. 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 43. Section 81-3142, Revised Statutes Supplement, 2023, is amended to read:

81-3142 The HCBS Enhanced FMAP Fund is created. The fund shall be used to enhance and expand home and community-based services (HCBS) spending as outlined in the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended. The fund shall be administered by the Department of Health and Human Services. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests for such purposes from any source, including federal, state, public, and private sources. Any money in the fund available for investment may be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 44. Section 81-3714, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-3714 The State Visitors Promotion Cash Fund is created. The fund shall be administered by the commission. The fund shall consist of revenue deposited into the fund pursuant to section 81-3715 and money donated as gifts, bequests, or other contributions from public or private entities. Funds made available by any department or agency of the United States may also be credited to the fund if so directed by such department or agency. The commission shall use the proceeds of the fund to generally promote, encourage, and attract visitors to and within the State of Nebraska, to erect and replace highway tourism markers, to enhance the use of travel and tourism facilities within the state, to provide grants to communities and organizations, and to contract with the Department of Administrative Services to provide support services to the commission, including, but not limited to, accounting and personnel functions. The proceeds of the fund shall be in addition to funds appropriated to the commission from the General Fund. Transfers may be made from the State Visitors Promotion Cash Fund to the General Fund at the direction of the Legislature. The State Treasurer shall transfer one million dollars from the State Visitors Promotion Cash Fund to the General Fund on or before June 30, 2019, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. Any money in the State Visitors Promotion Cash 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 45. Section 84-612, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB600, section 9, and Laws 2024, LB1413, section 58, 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 fifteen million eight hundred forty-one thousand 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 one hundred sixty-six million six hundred seventy-three thousand five hundred eighty 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.

(6) 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.

(7) 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.

(8) 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.

(9) 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.

(10) 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.

(11) 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.

(12) 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.

(13) The State Treasurer shall transfer two million four hundred twenty-five thousand dollars from the Cash Reserve Fund to the Nebraska Public Safety Communication System Revolving 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.

(14) 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.

(15) 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.

(16) 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.

(17) 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.

(18) 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.

(19) 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.

(20) The State Treasurer shall transfer four 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.

(21) The State Treasurer shall transfer twenty-nine 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.

(22) 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.

(23) 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.

(24) The State Treasurer shall transfer twenty-eight million dollars from the Jobs and Economic Development Initiative 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.

(25) The State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the State Insurance Fund on or before July 10, 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 three million five hundred thousand dollars from the Cash Reserve Fund to the Health and Human Services Cash Fund on or after July 1, 2024, but on or 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.

(27) The State Treasurer shall transfer three million two hundred fifty thousand dollars from the Cash Reserve Fund to the State Insurance Fund as soon as possible after the effective date of this act, 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 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.

(29) The State Treasurer shall transfer twenty-five million dollars from the Cash Reserve Fund to the Governor's Emergency Cash Fund on or 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.

(30) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the Governor's Emergency Cash Fund on or after July 1, 2025, but before June 30, 2026, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(31) It is the intent of the Legislature to transfer two hundred million dollars from the Cash Reserve Fund to the General Fund on or after July 1, 2026, but before June 30, 2027, if the balance of the Cash Reserve Fund on July 1, 2026, after accounting for the transfers in this section, does not fall below sixteen percent of the amount appropriated, excluding encumbered and certified reappropriations, from the General Fund for fiscal year 2026-27.

Sec. 46. Section 84-1227, Revised Statutes Cumulative Supplement, 2022, is amended to read:

84-1227 There is hereby established in the state treasury a special fund to be known as the Records Management Cash Fund which, when appropriated by the Legislature, shall be expended by the Secretary of State for the purposes of providing records management services and assistance to state and local agencies, for development and maintenance of the portal for providing electronic access to public records or electronic information and services, and for grants to a state or local agency as provided in subdivision (1)(j) of section 84-1204. All fees and charges for the purpose of records management services and analysis received by the Secretary of State from the local

agencies shall be remitted to the State Treasurer for credit to such fund. Transfers may be made from the fund to the General Fund, the Secretary of State Cash Fund, or the Election Administration Fund at the direction of the Legislature. Any money in the Records Management Cash 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

Sec. 47. Section 85-2009, Revised Statutes Supplement, 2023, is amended to read:

85-2009 (1) The Community College Gap Assistance Program Fund is created. The fund shall be under the direction of the committee and shall be administered by the Coordinating Commission for Postsecondary Education. The fund shall consist of money received pursuant to section 79-3501, any other money received by the state in the form of grants or gifts from nonfederal sources, such other amounts as may be transferred or otherwise accrue to the fund, and any investment income earned on the fund. The fund shall be used to carry out the community college gap assistance program pursuant to the Community College Gap Assistance Program 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. Beginning October 1, 2024, any investment earnings from investment of money in the fund shall be credited to the General Fund.

(2) In addition to community college gap assistance awarded to students, money in the Community College Gap Assistance Program Fund ~~fund~~ may also be used by the committee:

(a) To establish application and funding procedures; and

(b) To assist other eligible institutions as specified in contracts entered into pursuant to subsection (4) of section 85-2010 in defraying the costs of direct staff support services, including, but not limited to, marketing, outreach, applications, interviews, and assessments related to the community college gap assistance program.

(3) Each community college may use up to ten percent of any money received from the fund to defray the costs of direct staff support services, including, but not limited to, marketing, outreach, applications, interviews, and assessments.

Sec. 48. Section 86-324, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 59, is amended to read:

86-324 (1) The Nebraska Telecommunications Universal Service Fund is hereby created. The fund shall provide the assistance necessary to make universal access to telecommunications services available to all persons in the state consistent with the policies set forth in the Nebraska Telecommunications Universal Service Fund Act. Only eligible telecommunications companies designated by the commission shall be eligible to receive support to serve high-cost areas from the fund. A telecommunications company that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Any such support should be explicit and sufficient to achieve the purpose of the act.

(2) Notwithstanding the provisions of section 86-124, in addition to other provisions of the act, and to the extent not prohibited by federal law, the commission:

(a) Shall have authority and power to subject eligible telecommunications companies to service quality, customer service, and billing regulations. Such regulations shall apply only to the extent of any telecommunications services or offerings made by an eligible telecommunications company which are eligible for support by the fund. The commission shall be reimbursed from the fund for all costs related to drafting, implementing, and enforcing the regulations and any other services provided on behalf of customers pursuant to this subdivision;

(b) Shall have authority and power to issue orders carrying out its responsibilities and to review the compliance of any eligible telecommunications company receiving support for continued compliance with any such orders or regulations adopted pursuant to the act;

(c) May withhold all or a portion of the funds to be distributed from any telecommunications company failing to continue compliance with the commission's orders or regulations;

(d) Shall withhold support distributed from the fund from any telecommunications company using or providing any communications equipment or service deemed to pose a threat to national security identified on the Covered List developed pursuant to 47 C.F.R. 1.50002, as such regulation existed on January 1, 2023, and published by the Public Safety and Homeland Security Bureau of the Federal Communications Commission pursuant to the federal Secure and Trusted Communications Networks Act of 2019, 47 U.S.C. 1601 et seq., as such act existed on January 1, 2023, and the rules adopted pursuant to such act by the Federal Communications Commission on November 11, 2022, in its Report and Order FCC 22-84. Any telecommunications company that removes, discontinues, or replaces any communications equipment or service identified on the Covered List described in this subdivision in compliance with federal law shall not be required to obtain any additional permits from any state agency or political subdivision in the removal, discontinuance, or replacement of such communications equipment or service as long as the state agency or political subdivision is properly notified of the necessary replacements and the

replacement of any communications equipment is similar to the existing communications equipment;

(e) Shall require every telecommunications company to contribute to any universal service mechanism established by the commission pursuant to state law. The commission shall require, as reasonably necessary, an annual audit of any telecommunications company to be performed by a third-party certified public accountant to insure the billing, collection, and remittance of a surcharge for universal service. The costs of any audit required pursuant to this subdivision shall be paid by the telecommunications company being audited;

(f) Shall require an audit of information provided by a telecommunications company to be performed by a third-party certified public accountant for purposes of calculating universal service fund payments to such telecommunications company. The costs of any audit required pursuant to this subdivision shall be paid by the telecommunications company being audited; and

(g) May administratively fine pursuant to section 75-156 any person who violates the Nebraska Telecommunications Universal Service Fund Act.

(3) 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.

(4)(a) Transfers may be made from earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund or the General Fund at the direction of the Legislature.

(b) The State Treasurer shall transfer one million two hundred seventy-five thousand dollars on July 1, 2023, from the earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund. The State Treasurer shall transfer one million four hundred fifty-five thousand dollars on July 1, 2024, from the earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund.

(c) Beginning October 1, 2024, through June 30, 2027, any investment earnings from investment of money in the Nebraska Telecommunications Universal Service Fund remaining after transfers to the 211 Cash Fund shall be credited to the General Fund. On June 30, 2025, the State Treasurer shall transfer all earnings on the Nebraska Telecommunications Universal Service Fund, less any transfers made to the 211 Cash Fund in such fiscal year, to the General Fund.

Sec. 49. Original sections 8-604, 9-1107, 13-2704, 37-345, 44-116, 48-1,103, 60-3,201.01, 60-1505, 60-1509, 60-1513, 72-232.02, 74-1317, 81-1010, 81-1110.04, 81-1117, and 81-1120.29, Reissue Revised Statutes of Nebraska; sections 37-327.03, 37-1017, 38-157, 39-1390, 61-222, 81-179, 81-829.33, 81-8,239.03, 81-1108.22, 81-12,224, 81-1558, 81-3714, and 84-1227, Revised Statutes Cumulative Supplement, 2022; sections 79-3109, 81-12,218, 81-15,174, 81-3142, and 85-2009, Revised Statutes Supplement, 2023; section 8-1120, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1074, section 48; section 48-621, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 36; section 59-1608.04, Reissue Revised Statutes of Nebraska, as amended by Laws 2024, LB1413, section 41; section 37-327.02, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1108, section 1; section 55-901, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 39; section 61-405, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1413, section 42; section 68-996, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB62, section 3, Laws 2024, LB857, section 9, Laws 2024, LB904, section 3, Laws 2024, LB905, section 2, and Laws 2024, LB1413, section 43; section 77-5601, Revised Statutes Cumulative Supplement, 2022, as amended by Laws 2024, LB1317, section 95; section 37-1804, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 34; section 61-218, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1368, section 9; section 77-4025, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1204, section 36; section 84-612, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB600, section 9, and Laws 2024, LB1413, section 58; and section 86-324, Revised Statutes Supplement, 2023, as amended by Laws 2024, LB1413, section 59, are repealed.

Sec. 50. Since an emergency exists, this act takes effect when passed and approved according to law.