

## LEGISLATIVE BILL 323

Approved by the Governor May 21, 2007

Introduced by Speaker Flood, 19; at the request of the Governor

FOR AN ACT relating to the Cash Reserve Fund; to amend sections 72-730, 81-179, 84-612, and 84-613, Revised Statutes Cumulative Supplement, 2006; to change and eliminate provisions relating to the Cash Reserve Fund; to provide for and eliminate transfers of funds and interest as prescribed; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency.

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

Section 1. Section 72-730, Revised Statutes Cumulative Supplement, 2006, is amended to read:

72-730 The State Capitol Restoration Fund is created. ~~Money in the fund shall include interest earned by the Cash Reserve Fund and transferred to the State Capitol Restoration Fund pursuant to section 84-613.~~ 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.

Sec. 2. Section 81-179, Revised Statutes Cumulative Supplement, 2006, 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, ~~the interest income as provided in section 84-613,~~ 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.

Sec. 3. Section 84-612, Revised Statutes Cumulative Supplement, 2006, 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) The State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer such amounts not to exceed seven million seven hundred fifty-three thousand two hundred sixty-three dollars in total from the Cash Reserve Fund to the Nebraska Capital Construction Fund between July 1, 2003, and June 30, 2007.

(4) The State Treasurer, at the direction of the budget administrator, shall transfer an amount equal to the total amount transferred pursuant to subsection (3) of this section from the General Fund to the Cash Reserve Fund on or before June 30, 2008.

(5) 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.

(6) On June 15, 2007, the State Treasurer shall transfer fifteen million six hundred seventy-four thousand one hundred seven dollars from the Cash Reserve Fund to the General Fund.

(7) On June ~~15,~~ 16, 2008, the State Treasurer shall transfer seventeen million nine hundred thirty-one thousand thirty dollars from the Cash Reserve Fund to the General Fund.

(8) On June 15, 2009, the State Treasurer shall transfer four million nine hundred ninety thousand five hundred five dollars from the Cash Reserve Fund to the General Fund.

(9) On or before June 16, 2008, the State Treasurer, at the direction of the budget administrator, shall transfer fifty million dollars from the Cash Reserve Fund to the General Fund.

(10) On or before June 16, 2009, the State Treasurer, at the direction of the budget administrator, shall transfer fifty million dollars from the Cash Reserve Fund to the General Fund.

(11) From the effective date of an endowment agreement as defined in subdivision (3)(c) of section 79-1101 until June 30, 2007, forty million dollars of the Cash Reserve Fund shall be deemed to constitute the Early Childhood Education Endowment Fund. Such funds shall remain part of the Cash Reserve Fund for all purposes, except that the interest earned on such forty million dollars shall accrue as provided in section 84-613.

(12) The State Treasurer, at the direction of the budget administrator, shall transfer such amounts, as certified by the Director of Administrative Services, for employee health insurance claims and expenses, not to exceed twelve million dollars in total from the Cash Reserve Fund to the State Employees Insurance Fund between May 1, 2007, and June 30, 2011.

(13) On July 9, 2007, the State Treasurer shall transfer twelve million dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund.

(14) On July 9, 2007, the State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the Job Training Cash Fund. The State Treasurer shall transfer from the Job Training Cash Fund to the Cash Reserve Fund such amounts as directed in section 81-1201.21.

(15) On July 7, 2008, the State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the Job Training Cash Fund. The State Treasurer shall transfer from the Job Training Cash Fund to the Cash Reserve Fund such amounts as directed in section 81-1201.21.

(16) On or before August 1, 2007, the State Treasurer, at the direction of the budget administrator, shall transfer seventy-five million dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund.

(17) On or before June 30, 2009, the State Treasurer shall transfer nine million five hundred ninety thousand dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund.

(18) The State Treasurer, at the direction of the budget administrator, shall transfer an amount equal to the total amount transferred pursuant to subsection (12) of this section from the appropriate health insurance accounts of the State Employees Insurance Fund in such amounts as certified by the Director of Administrative Services to the Cash Reserve Fund on or before June 30, 2011.

(19) On July 9, 2007, the State Treasurer shall transfer one million dollars from the Cash Reserve Fund to the Microenterprise Development Cash Fund.

(20) On July 9, 2007, the State Treasurer shall transfer two hundred fifty thousand dollars from the Cash Reserve Fund to the Building Entrepreneurial Communities Cash Fund.

(21) On July 7, 2008, the State Treasurer shall transfer one million dollars from the Cash Reserve Fund to the Microenterprise Development Cash Fund.

(22) On July 7, 2008, the State Treasurer shall transfer two hundred fifty thousand dollars from the Cash Reserve Fund to the Building Entrepreneurial Communities Cash Fund.

Sec. 4. Section 84-613, Revised Statutes Cumulative Supplement, 2006, is amended to read:

84-613 ~~(1)~~ Any money in the Cash Reserve 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. Until July 1, 2007, any interest earned by the fund shall accrue to the General Fund, except for interest earned on forty million dollars if such money is deemed to constitute the Early Childhood Education Endowment Fund in accordance with subsection (11) of section 84-612. From the effective date of an endowment agreement as defined in subdivision (3)(c) of section 79-1101

until June 30, 2007, interest earned on the forty million dollars deemed to constitute the Early Childhood Education Endowment Fund shall accrue to the Early Childhood Education Endowment Cash Fund. Commencing July 1, 2007, any interest earned by the Cash Reserve Fund shall accrue to the Building Renewal Allocation Fund- General Fund.

(2) Of the amount accruing to the Building Renewal Allocation Fund pursuant to this section for the period July 1, 2007, through June 30, 2008, the State Treasurer, at the direction of the budget administrator of the budget division of the Department of Administrative Services, shall transfer to the State Capitol Restoration Fund an amount or amounts equivalent to the total amount appropriated from the State Capitol Restoration Fund for the period July 1, 2008, through June 30, 2009. If the amount accruing to the Building Renewal Allocation Fund for the period July 1, 2007, through June 30, 2008, is insufficient to fulfill the directed transfers to the State Capitol Restoration Fund for such period, any deficiency shall be satisfied with amounts transferred pursuant to subsection (3) of this section.

(3) Of the amount accruing to the Building Renewal Allocation Fund pursuant to this section for the period July 1, 2008, through June 30, 2009, the State Treasurer, at the direction of the budget administrator, shall first transfer to the State Capitol Restoration Fund an amount or amounts equivalent to any deficiency in amounts accruing to the State Capitol Restoration Fund under the provisions of subsection (2) of this section and shall then transfer to the State Capitol Restoration Fund an amount or amounts equivalent to the total amount appropriated from the State Capitol Restoration Fund for the period July 1, 2009, through June 30, 2010. If the amount accruing to the Building Renewal Allocation Fund for the period July 1, 2008, through June 30, 2009, is insufficient to fulfill the directed transfers to the State Capitol Restoration Fund for such period, any such deficiency shall be satisfied with amounts transferred pursuant to subsection (4) of this section.

(4) Of the amount accruing to the Building Renewal Allocation Fund pursuant to this section for the period July 1, 2009, through June 30, 2010, the State Treasurer, at the direction of the budget administrator, shall first transfer to the State Capitol Restoration Fund an amount or amounts equivalent to any deficiency in amounts accruing to the State Capitol Restoration Fund under the provisions of subsection (3) of this section and shall then transfer to the State Capitol Restoration Fund an amount or amounts equivalent to the total amount appropriated from the State Capitol Restoration Fund for the period July 1, 2010, through June 30, 2011. If the amount accruing to the Building Renewal Allocation Fund for the period July 1, 2009, through June 30, 2010, is insufficient to fulfill the directed transfers to the State Capitol Restoration Fund for such period, any such deficiency shall be satisfied with amounts transferred pursuant to subsection (5) of this section.

(5) Of the amount accruing to the Building Renewal Allocation Fund pursuant to this section for the period July 1, 2010, through June 30, 2011, the State Treasurer, at the direction of the budget administrator, shall transfer to the State Capitol Restoration Fund an amount or amounts equivalent to any deficiency in amounts accruing to the State Capitol Restoration Fund under the provisions of subsection (4) of this section.

Sec. 5. Sections 1, 2, 4, and 6 of this act become operative on July 1, 2007. The other sections of this act become operative on their effective date.

Sec. 6. Original sections 72-730, 81-179, and 84-613, Revised Statutes Cumulative Supplement, 2006, are repealed.

Sec. 7. Original section 84-612, Revised Statutes Cumulative Supplement, 2006, is repealed.

Sec. 8. Since an emergency exists, this act takes effect when passed and approved according to law.