

AMENDMENTS TO LB1368

Introduced by Ibach, 44.

1           1. Strike the original sections and insert the following new  
2 sections:

3           Section 1. Sections 1 to 7 of this act shall be known and may be  
4 cited as the Nitrogen Reduction Incentive Act.

5           Sec. 2. The Legislature finds and declares that:

6           (1) Agriculture is Nebraska's number one industry;

7           (2) Water is Nebraska's most precious natural resource;

8           (3) Nebraska farmers are leading the charge on sustainable  
9 agriculture initiatives that will make Nebraska a world-renowned leader  
10 and ensure protection of the land and water of Nebraska for generations  
11 to come; and

12           (4) The Nitrogen Reduction Incentive Act encourages farmers to adopt  
13 efficient and sustainable practices to help Nebraska protect these  
14 natural resources and positions Nebraska farmers to compete.

15           Sec. 3. For purposes of the Nitrogen Reduction Incentive Act,  
16 commercial fertilizer has the same meaning as in section 81-2,162.02.

17           Sec. 4. (1) The nitrogen reduction incentive program is created and  
18 shall be administered by the Department of Natural Resources. The  
19 department may collaborate with natural resources districts to administer  
20 the program.

21           (2) The purposes of the program are to:

22           (a) Provide incentive payments to farmers; and

23           (b) Encourage farmers to (i) reduce the use of commercial fertilizer  
24 and (ii) incorporate innovative technology into farming practices,  
25 including the proper use of biological nitrogen products.

26           (3) The program shall provide an annual per-acre incentive for any  
27 farmer who verifies through documentation that commercial fertilizer

1 rates were reduced by the lesser of forty pounds per acre for nitrogen or  
2 fifteen percent by incorporating a qualifying product in the farmer's  
3 nutrient plans.

4 (4) A commercial fertilizer rate reduction from historic baseline  
5 use shall be completed to qualify for the program.

6 (5) The department shall review the required commercial fertilizer  
7 rate of reduction for the program on a biennial basis to determine if  
8 higher reduction targets are necessary.

9 (6) The department shall:

10 (a) Collaborate with natural resources districts to add any new  
11 technology to the program as it becomes available. Such technology shall  
12 replace nitrogen fertilizer use and maintain farm productivity;

13 (b) Identify geographically beneficial target areas while keeping  
14 the program open to all farmers in the state;

15 (c) Consult with farmers and commercial entities in the agriculture  
16 industry to determine a per-acre payment rate tied to the commercial  
17 fertilizer rate reduction but not less than ten dollars per acre; and

18 (d) Review the per-acre payment rate based on inflation or emerging  
19 technology in subsequent years.

20 (7) The department shall not award more than five million dollars in  
21 incentive payments in total per year under the nitrogen reduction  
22 incentive program.

23 Sec. 5. The department shall adopt and promulgate rules and  
24 regulations that adopt a standard for labeled commercial fertilizer  
25 products to qualify for the nitrogen reduction incentive program and may  
26 adopt and promulgate rules and regulations to carry out the Nitrogen  
27 Reduction Incentive Act.

28 Sec. 6. (1) The Nitrogen Reduction Incentive Cash Fund is created  
29 and shall be administered by the Department of Natural Resources for  
30 purposes of the Nitrogen Reduction Incentive Act. The Nitrogen Reduction  
31 Incentive Act Cash Fund may consist of transfers as directed by the

1 Legislature and gifts, grants, bequests, and money from any public or  
2 private source.

3 (2) The Department of Natural Resources shall apply for all grants  
4 from state, federal, and private sources that are applicable to the  
5 purposes of the Nitrogen Reduction Incentive Act.

6 (3) Any such grant applied for by the Department of Natural  
7 Resources that is awarded to the Department of Natural Resources or the  
8 State of Nebraska shall be credited to the Nitrogen Reduction Incentive  
9 Cash Fund.

10 (4) Any money in the fund available for investment shall be invested  
11 by the state investment officer pursuant to the Nebraska Capital  
12 Expansion and the Nebraska State Funds Investment Act.

13 Sec. 7. The Nitrogen Reduction Incentive Act terminates on December  
14 31, 2029.

15 Sec. 8. Section 84-612, Revised Statutes Supplement, 2023, is  
16 amended to read:

17 84-612 (1) There is hereby created within the state treasury a fund  
18 known as the Cash Reserve Fund which shall be under the direction of the  
19 State Treasurer. The fund shall only be used pursuant to this section.

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

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

31 (4) The State Treasurer shall transfer two million dollars from the

1 Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June  
2 30, 2024, on such dates and in such amounts as directed by the budget  
3 administrator of the budget division of the Department of Administrative  
4 Services.

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

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

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

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

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

31 (10) The State Treasurer shall transfer eight million three hundred

1 thousand dollars from the Cash Reserve Fund to the Trail Development and  
2 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on  
3 such dates and in such amounts as directed by the budget administrator of  
4 the budget division of the Department of Administrative Services.

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

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

15 (13) The State Treasurer shall transfer twenty million dollars from  
16 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July  
17 1, 2022, but before June 15, 2023, on such dates and in such amounts as  
18 directed by the budget administrator of the budget division of the  
19 Department of Administrative Services.

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

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

30 (16) The State Treasurer shall transfer twenty million dollars from  
31 the Cash Reserve Fund to the Site and Building Development Fund on July

1 15, 2022, or as soon thereafter as administratively possible, and in such  
2 amounts as directed by the budget administrator of the budget division of  
3 the Department of Administrative Services.

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

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

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

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

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

29 (22) The State Treasurer shall transfer one million dollars from the  
30 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as  
31 administratively possible after June 7, 2023, on such dates and in such

1 amounts as directed by the budget administrator of the budget division of  
2 the Department of Administrative Services.

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

7 (24) The State Treasurer shall transfer eleven million three hundred  
8 twenty thousand dollars from the Cash Reserve Fund to the Health and  
9 Human Services Cash Fund on or after July 1, 2023, but on or before June  
10 30, 2024, on such dates and in such amounts as directed by the budget  
11 administrator of the budget division of the Department of Administrative  
12 Services.

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

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

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

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

1 budget division of the Department of Administrative Services.

2 (29) The State Treasurer shall transfer one hundred million dollars  
3 from the Cash Reserve Fund to the Roads Operations Cash Fund before June  
4 30, 2023, on such dates and in such amounts as directed by the budget  
5 administrator of the budget division of the Department of Administrative  
6 Services.

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

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

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

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

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



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

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

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

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

21 (39) The State Treasurer shall transfer four hundred forty million  
22 dollars from the General Fund to the Cash Reserve Fund on or after July  
23 1, 2023, but before June 30, 2024, on such dates and in such amounts as  
24 directed by the budget administrator of the budget division of the  
25 Department of Administrative Services.

26 (40) The State Treasurer shall transfer zero dollars from the Cash  
27 Reserve Fund to the Site and Building Development Fund on or after July  
28 1, 2024, but before June 30, 2025, on such dates and in such amounts as  
29 directed by the budget administrator of the budget division of the  
30 Department of Administrative Services.

31 (41) The State Treasurer shall transfer one million dollars from the

1 Cash Reserve Fund to the General Fund on or after July 1, 2024, but  
2 before June 30, 2025, on such dates and in such amounts as directed by  
3 the budget administrator of the budget division of the Department of  
4 Administrative Services.

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

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

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

21 (45) The State Treasurer shall transfer five million dollars from  
22 the Cash Reserve Fund to the Nitrogen Reduction Incentive Cash Fund as  
23 soon as administratively possible after the effective date of this act,  
24 but before June 30, 2025, on such dates and in such amounts as directed  
25 by the budget administrator of the budget division of the Department of  
26 Administrative Services.

27 Sec. 9. Original section 84-612, Revised Statutes Supplement, 2023,  
28 is repealed.