

LEGISLATIVE BILL 1216

Approved by the Governor March 30, 2000

Introduced by Speaker Kristensen, 37; at the request of the Governor

AN ACT relating to state government; to amend sections 13-2305, 68-601 to 68-605, 68-608, 68-610, 68-612, 68-613, 68-620, 68-622, 68-631, 72-815, 81-1108.03, 81-1108.05, 81-1108.15, 81-1110.02, 81-1110.04, and 81-1117.01, Reissue Revised Statutes of Nebraska, sections 68-621 and 72-816, Revised Statutes Supplement, 1999, and Laws 1999, LB 873, sections 1, 3, 4, and 5; to provide for transfers of funds; to create funds; to rename funds; to change provisions relating to the uses of various funds; to harmonize provisions; to change transfer provisions; to provide and change termination dates; to change and eliminate powers and duties of the Department of Administrative Services and State Treasurer; to repeal the original sections; to outright repeal sections 68-614, 68-615, 68-617, and 68-618, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. The State Treasurer shall transfer \$2,383,121 from the General Fund to the Information Technology Infrastructure Fund as soon as possible after June 25, 2000, for FY1999-00.

Sec. 2. The State Purchasing Card Distributive Fund is created. All rebates received by the state from any purchasing card programs entered into by the State of Nebraska, except for rebates received from separate purchasing card programs entered into solely by the University of Nebraska, shall be credited to the fund. The fund may consist of purchasing card and travel card payments and deposits received from state agencies, boards, commissions, and political subdivisions, plus any rebate revenue received on behalf of the program by the accounting division of the Department of Administrative Services. The fund may be used for the purpose of coordinating and expediting payments to vendors related to any purchasing card programs administered by the accounting division and the required distribution of any rebate revenue, after covering expenses. The fund shall be administered by the Accounting Administrator. The accounting division shall deduct from the total program rebates of any state-sponsored purchasing card program an amount necessary to cover the full cost of operating the purchasing card program. After deducting the full cost of operating the purchasing card program from the total program rebates, with the exception of existing purchasing card programs, the remaining rebate funds shall be distributed on an annual basis by the Accounting Administrator based on a combination of volume performance and speed of pay performance among the following entities: (1) The University of Nebraska; (2) the accounting division, on behalf of the remainder of state government; and (3) any political subdivisions participating in any state-sponsored purchasing card program. The Accounting Administrator is authorized to distribute through the fund or through a vendor contractual agreement the remaining program rebates, after covering expenses. On a monthly basis the accounting division shall administratively transfer all interest earnings credited to the fund to the Accounting Division Revolving Fund within ten days after the end of each month. On an annual basis the accounting division shall administratively transfer from the fund to the Accounting Division Revolving Fund all rebate revenue to which the accounting division is entitled plus an amount necessary to cover the full cost of operating the purchasing card program. All costs of operating the purchasing card program shall be paid through the Accounting Division Revolving 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.

Sec. 3. Laws 1999, LB 873, section 1, is amended to read:

Section 1. The State Treasurer shall transfer \$1,713,587 from the General Fund to the State Building Revolving Fund within five days after the effective date of this act May 19, 1999, except that from the proceeds of this original transfer, the State Treasurer shall transfer back \$839,330 from the State Building Revolving Fund to the General Fund within five days after the effective date of this act.

Sec. 4. Laws 1999, LB 873, section 3, is amended to read:

Sec. 3. The State Treasurer shall transfer ~~\$1,713,587~~ \$2,820,032 from the Vacant Building and Excess Land Cash Fund to the General Fund ~~on~~ ~~or~~

~~after June 15, 2001, for FY2000-01 within five days after the effective date of this act.~~

Sec. 5. Laws 1999, LB 873, section 4, is amended to read:

Sec. 4. ~~Upon written request from the Director of Administrative Services, the State Treasurer is authorized to make transfers from the Vacant Building and Excess Land Fund to the Building Renewal Allocation Fund in cumulative amounts not to exceed \$1,083,827, on or before June 30, 2001. The State Treasurer shall transfer \$1,083,827 from the Vacant Building and Excess Land Cash Fund to the Building Renewal Allocation Fund within five days after the effective date of this act.~~

Sec. 6. Laws 1999, LB 873, section 5, is amended to read:

Sec. 5. ~~Upon written request from the Director of Administrative Services, the State Treasurer is authorized to make transfers from the Vacant Building and Excess Land Fund to the State Building Revolving Fund in cumulative amounts not to exceed \$3,661,488, on or before June 30, 2003. At the direction of the budget administrator of the budget division of the Department of Administrative Services, the State Treasurer shall transfer an amount from the Vacant Building and Excess Land Cash Fund to the State Building Revolving Fund on or after July 1, 2003, but no later than July 14, 2003, not to exceed the total of: (1) \$2,188,913; (2) less the total investment income credited to the State Building Revolving Fund from July 1, 1999, to June 30, 2003; and (3) less any excess amounts of noninvestment income revenue exceeding expenditures in the State Building Revolving Fund for the 1999-01 biennium and the 2001-03 biennium, respectively, except that the amount of this transfer when combined with the cash and investment balance existing on June 30, 2003, in the State Building Revolving Fund shall not exceed \$3,055,043. The budget administrator shall certify in writing to the State Treasurer the exact amount to be transferred pursuant to this section.~~

Sec. 7. Section 13-2305, Reissue Revised Statutes of Nebraska, is amended to read:

13-2305. The Nebraska Local Government Innovation and Restructuring Fund is hereby created. The fund shall be used to carry out the purposes of sections 13-2301 to 13-2306. The fund shall be administered by the Department of Administrative Services and shall receive funds pursuant to sections 77-912 and 77-913. 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.

~~On June 30, 2000, any unobligated, unexpended balance existing in the Nebraska Local Government Innovation and Restructuring Fund shall be transferred to the Department of Administrative Services Cash Fund.~~

Sec. 8. Section 68-601, Reissue Revised Statutes of Nebraska, is amended to read:

68-601. (1) In order to extend to the employees of the state and its political subdivisions and to the dependents and survivors of such employees the basic protection accorded to others by the old age and survivors insurance system embodied in the Social Security Act, it is hereby declared to be the policy of the Legislature, subject to the limitations of sections 68-601 to ~~68-613~~ ~~68-618~~ and 68-621 to 68-630, that such steps be taken as to provide such protection to employees of the State of Nebraska and its political subdivisions on as broad a basis as is permitted under the act.

(2) In conformity with the policy of the Congress of the United States of America, it is hereby declared to be the policy of the State of Nebraska that the protection afforded employees in positions covered by retirement systems on the date the state agreement is made applicable to service performed in such positions or receiving periodic benefits under such retirement systems at such time will not be impaired as a result of making the agreement so applicable or as a result of legislative or executive action taken in anticipation or in consequence thereof and that the benefits provided by the Social Security Act and made available to employees of the State of Nebraska and of political subdivisions thereof or instrumentalities jointly created by the state and any other state or states, who are or may be members of a retirement system, shall be supplementary to the benefits provided by such retirement system.

Sec. 9. Section 68-602, Reissue Revised Statutes of Nebraska, is amended to read:

68-602. For purposes of sections 68-601 to ~~68-613~~ ~~68-618~~ and 68-621 to 68-630, unless the context otherwise requires:

(1) Wages shall mean all remuneration for employment, including the cash value of all remuneration paid in any medium other than cash, except that wages shall not include that part of such remuneration which, even if it were for employment within the meaning of the Federal Insurance Contributions Act, would not constitute wages within the meaning of the act;

(2) Employment shall mean any service performed by an employee in the employ of the State of Nebraska or any political subdivision thereof for such employer except (a) service which, in the absence of an agreement entered into under sections 68-601 to ~~68-618~~ 68-613 and 68-621 to 68-630, would constitute employment as defined in the Social Security Act or (b) service which under the act may not be included in an agreement between the state and the Secretary of Health and Human Services entered into under sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630. Service which under the act may be included in an agreement only upon certification by the Governor in accordance with section 218(d)(3) of the act shall be included in the term employment if and when the Governor issues, with respect to such service, a certificate to the Secretary of Health and Human Services pursuant to subsection (2) of section 68-624;

(3) Employee shall include an officer of the state or a political subdivision thereof;

(4) State agency shall mean the Director of Administrative Services;

(5) Secretary of Health and Human Services shall include any individual to whom the Secretary of Health and Human Services has delegated any functions under the Social Security Act with respect to coverage under such act of employees of states and their political subdivisions and, with respect to any action taken prior to April 11, 1953, includes the Federal Security Administrator and any individual to whom such administrator had delegated any such function;

(6) Political subdivision shall include an instrumentality of the state, of one or more of its political subdivisions, or of the state and one or more of its political subdivisions, but only if such instrumentality is a juristic entity which is essentially legally separate and distinct from the state or subdivision and only if its employees are not by virtue of their relation to such juristic entity employees of the state or subdivision;

(7) Social Security Act shall mean the Act of Congress approved August 14, 1935, Chapter 531, 49 Stat. 620, officially cited as the Social Security Act, including regulations and requirements issued pursuant thereto, as such act has been amended or recodified to December 25, 1969, and may from time to time hereafter be amended or recodified; and

(8) Federal Insurance Contributions Act shall mean Chapter 21, subchapters A, B, and C of the Internal Revenue Code, and the term employee tax shall mean the tax imposed by section 3101 of such code.

Sec. 10. Section 68-603, Reissue Revised Statutes of Nebraska, is amended to read:

68-603. The state agency, with the approval of the Governor, is hereby authorized to enter, on behalf of the State of Nebraska, into an agreement with the Secretary of Health and Human Services, consistent with the terms and provisions of sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630, for the purpose of extending the benefits of the federal old age and survivors' insurance system to employees of the state or any political subdivision thereof with respect to services specified in such agreement which constitute employment. The state agency, with the approval of the Governor, is further authorized to enter, on behalf of the State of Nebraska, into such modifications and amendments to such agreement with the Secretary of Health and Human Services as shall be consistent with the terms and provisions of sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630 if such modification or amendment is necessary or desirable to secure the benefits and exemptions allowable to the State of Nebraska or any political subdivision thereof or to any employee of the State of Nebraska or any political subdivision thereof provided by the Social Security Act, the Federal Insurance Contributions Act, or the employee tax. Such agreement may contain such provisions relating to coverage, benefits, contributions, effective date, modification and termination of the agreement, administration, and other appropriate provisions as the state agency and Secretary of Health and Human Services shall agree upon, but, except as may be otherwise required by or under the Social Security Act as to the services to be covered, such agreement shall provide in effect that:

(1) Benefits will be provided for employees whose services are covered by the agreement and their dependents and survivors on the same basis as though such services constituted employment within the meaning of Title II of the Social Security Act;

(2) The state will pay to the Secretary of the Treasury of the United States, at such time or times as may be prescribed under the Social Security Act, contributions with respect to wages equal to the sum of the taxes which would be imposed by the Federal Insurance Contributions Act if the services covered by the agreement constituted employment within the meaning of the Federal Insurance Contributions Act;

(3) Such agreement shall be effective with respect to services in employment covered by the agreement performed after a date specified in the agreement, but in no event may it be effective with respect to any such services performed prior to the first day of the calendar year in which such agreement is entered into or in which the modification of the agreement making it applicable to such services is entered into, except that if a political subdivision made reports and payments for social security coverage of its employees to the Internal Revenue Service under the Federal Insurance Contributions Act in the mistaken belief that such action provided coverage for the employees, such agreement shall be effective as of the first day of the first calendar quarter for which such reports were erroneously filed;

(4) All services which constitute employment and are performed in the employ of the state by employees of the state shall be covered by the agreement;

(5) All services which constitute employment, are performed in the employ of a political subdivision of the state, and are covered by a plan which is in conformity with the terms of the agreement and has been approved by the state agency under sections 68-608 to 68-611 shall be covered by the agreement;

(6) As modified, the agreement shall include all services described in either subdivision (4) or (5) of this section or both of such subdivisions and performed by individuals to whom section 218(c)(3)(c) of the Social Security Act is applicable and shall provide that the service of any such individual shall continue to be covered by the agreement in case he or she thereafter becomes eligible to be a member of a retirement system; and

(7) As modified, the agreement shall include all services described in either subdivision (4) or (5) of this section or both of such subdivisions and performed by individuals in positions covered by a retirement system with respect to which the Governor has issued a certificate to the Secretary of Health and Human Services pursuant to subsection (2) of section 68-624.

Sec. 11. Section 68-604, Reissue Revised Statutes of Nebraska, is amended to read:

68-604. Any instrumentality jointly created by this state and any other state or states is hereby authorized, upon the granting of like authority by such other state or states, (1) to enter into an agreement with the Secretary of Health and Human Services whereby the benefits of the federal old age and survivors' insurance system shall be extended to employees of such instrumentality, (2) to require its employees to pay, and for that purpose to deduct from their wages, contributions equal to the amounts which they would be required to pay under section 68-605 if they were covered by an agreement made pursuant to section 68-603, and (3) to make payments to the Secretary of the Treasury of the United States in accordance with such agreement, including payments from its own funds, and otherwise to comply with such agreements. Such an agreement shall, to the extent practicable, be consistent with the terms and provisions of section 68-603 and other provisions of sections 68-601 to ~~68-613~~ ~~68-618~~ and 68-621 to 68-630.

Sec. 12. Section 68-605, Reissue Revised Statutes of Nebraska, is amended to read:

68-605. Every employee of the state whose services are covered by an agreement entered into under sections 68-603 and 68-604 shall be required to pay for the period of such coverage, ~~into the Contribution Fund established by section 68-612,~~ contributions, with respect to wages, as defined in section 68-602, equal to the amount of tax which would be imposed by the Federal Insurance Contributions Act if such services constituted employment within the meaning of that act. Such liability shall arise in consideration of the employee's retention in the service of the state, or his or her entry upon such service, after the enactment of sections 68-601 to ~~68-618~~ 68-613, and sections 68-621 to 68-630.

Sec. 13. Section 68-608, Reissue Revised Statutes of Nebraska, is amended to read:

68-608. Unless otherwise provided for by sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630, each political subdivision of the state is hereby authorized to submit for approval by the state agency a plan for extending the benefits of Title II of the Social Security Act, in conformity with applicable provisions of such act, to employees of such political subdivision and is hereby further authorized to submit for approval by the state agency any modification or amendment to any then existing plan if such modification or amendment is necessary or desirable to secure the benefits and exemptions allowable to such political subdivisions thereof or to any employee of the political subdivision in conformity with Title II of the act. Each such plan and any amendment thereof shall be approved by the state agency if it finds that such plan or such plan as amended is in conformity with such requirements

as are provided in regulations of the state agency, except that no such plan shall be approved unless: (1) It is in conformity with the requirements of the act and with the agreement entered into under sections 68-603 and 68-604; (2) it provides that all services which constitute employment and are performed in the employ of the political subdivision by employees thereof will be covered by the plan; (3) it specifies the source or sources from which the funds necessary to make the payments required by subsection (1) of section 68-610 and by section 68-611 are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose; (4) it provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration of the plan; (5) it provides that the political subdivision will make such reports in such form and containing such information as the state agency may from time to time require and will comply with such provisions as the state agency or the Secretary of Health and Human Services may from time to time find necessary to assure the correctness and verification of such reports; and (6) it authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been a failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency and may be consistent with the provisions of the act.

Sec. 14. Section 68-610, Reissue Revised Statutes of Nebraska, is amended to read:

68-610. (1) Each political subdivision as to which a plan has been approved under sections 68-608 to 68-611 or prepared under section 68-625 shall ~~pay into the Contribution Fund with respect to wages, at such time or times as the state agency may by regulation prescribe~~ be required to pay for the period of such coverage, contributions in the amounts and at the rates specified in the applicable agreement entered into by the state agency under sections 68-603 and 68-604.

(2) Each political subdivision required to make payments under section 68-609 is authorized, in consideration of the employee's retention in or entry upon employment after enactment of sections 68-601 to ~~68-613~~ ~~68-618~~ and 68-621 to 68-630, to impose upon each of its employees, as to services which are covered by an approved plan, a contribution with respect to his or her wages not exceeding the amount of tax which would be imposed by the Federal Insurance Contributions Act if such services constituted employment within the meaning of the act and to deduct the amount of such contribution from his or her wages as and when paid. ~~Contributions so collected shall be paid into the Contribution Fund in partial discharge of the liability of such political subdivisions or instrumentality under subsection (1) of this section.~~ Failure to deduct such contribution shall not relieve the employee or employer of liability therefor.

Sec. 15. Section 68-612, Reissue Revised Statutes of Nebraska, is amended to read:

68-612. ~~There is hereby established a revolving fund to be known as the Contribution Fund.~~ (1) The Contribution Distributive Fund is created. Such fund shall consist of and there shall be deposited in such fund: ~~(1)~~ (a) All contributions, interest, and penalties collected under sections 68-605 to 68-611; ~~(2)~~ (b) all money appropriated to the fund under sections 68-601 to ~~68-618~~ 68-613; ~~(3)~~ (c) any property or securities and earnings thereof acquired through the use of money belonging to the fund; ~~(4)~~ (d) interest earned upon any money in the fund; ~~(5)~~ (e) all sums recovered upon the bond of the ~~custodian~~ Accounting Administrator or otherwise for losses sustained by the fund; and ~~(6)~~ (f) all other money received for the fund from any other source. ~~All money in the fund shall be mingled and undivided.~~

(2) The fund shall be used and administered exclusively for the purpose of sections 68-601 to 68-613 and 68-621 to 68-630. Withdrawals from the fund shall be made solely for: (a) Payment of amounts required to be paid to the Secretary of the Treasury of the United States pursuant to an agreement entered into under sections 68-603 and 68-604; (b) payment of refunds provided for in section 68-607; (c) refunds of overpayments not otherwise adjustable made by a political subdivision or instrumentality; and (d) transfers to the General Fund. 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. Subject to sections 68-601 to ~~68-618~~ 68-613, the state agency shall be vested with full power, authority, and jurisdiction over the fund, including all money and property or securities belonging to the fund, and may perform any and all acts whether or not

specifically designated which are necessary to the administration thereof and are consistent with such sections. 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. The State Treasurer shall transfer the cash and investment balance existing in the fund on the effective date of this act to the General Fund within five days after the effective date of this act.

This section shall terminate six days after the effective date of this act.

Sec. 16. Section 68-613, Reissue Revised Statutes of Nebraska, is amended to read:

68-613. The Contribution Fund shall be established and held separate and apart from any other funds or money of the state and shall be used and administered exclusively for the purpose of sections 68-601 to 68-618 and 68-621 to 68-630, except that interest earnings may be transferred to the General Fund and to the Accounting Division Cash Fund at the direction of the Legislature. Withdrawals from the Contribution Fund shall be made solely for: (1) Payment of amounts required to be paid to the Secretary of the Treasury of the United States pursuant to an agreement entered into under sections 68-603 and 68-604; (2) payment of refunds provided for in section 68-607; (3) refunds of overpayments not otherwise adjustable made by a political subdivision or instrumentality; (4) transfers to the Accounting Division Cash Fund from interest earnings only; (5) transfers to the General Fund from interest earnings only; and (6) administrative expenses, from interest earnings only, of the social security administration bureau of the Department of Administrative Services. If interest earnings are not sufficient to cover administrative expenses of the social security administration bureau, the director may apply to the Legislature for supplemental money from the General Fund. The state agency is hereby authorized to transfer interest earnings from the Contribution Fund to the Social Security Cash Fund which is hereby created. Any money in the Social Security 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. Interest earnings transferred to the Social Security Cash Fund shall only be used for payment of administrative expenses of the social security administration bureau. The state agency is hereby authorized to transfer interest earnings from the Contribution Fund to the Accounting Division Cash Fund for the purposes specified in section 81-1110.02. The Social Security Cash Fund is created. The fund shall only 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. The State Treasurer shall transfer the cash and investment balance existing in the fund on the effective date of this act to the General Fund within five days after the effective date of this act.

This section shall terminate six days after the effective date of this act.

Sec. 17. Section 68-620, Reissue Revised Statutes of Nebraska, is amended to read:

68-620. Notwithstanding any tax levy limitations contained in any other law or city home rule charter, when any city or village of this state elects to accept the provisions of sections 68-601 to ~~68-613~~ ~~68-618~~ and 68-621 to 68-630 relating to old age and survivors insurance and enters into a written agreement with the state agency as provided in such sections, the city or village shall levy a tax, in addition to all other taxes, in order to defray the cost of such city or village in meeting the obligations arising by reason of such written agreement, and the revenue raised by such special levy shall be used for no other purpose.

Sec. 18. Section 68-621, Revised Statutes Supplement, 1999, is amended to read:

68-621. (1) A referendum group, as referred to in sections 68-621 to 68-630, shall consist of the employees of the state, a single political subdivision of this state, or any instrumentality jointly created by this state and any other state or states, the employees of which are or may be members of a retirement system covering such employees, except that: (a) The employees of the University of Nebraska shall constitute a referendum group; (b) the employees of a Class V school district shall constitute a referendum group; (c) all employees of the State of Nebraska who are or may be members of the School Retirement System of the State of Nebraska, including employees of institutions operated by the Board of Trustees of the Nebraska State Colleges, employees of institutions operated by the Department of Correctional Services

and the Department of Health and Human Services, and employees subordinate to the State Board of Education, shall constitute a referendum group; and (d) all employees of school districts of the State of Nebraska, county superintendents, and county school administrators, who are or may be members of the School Retirement System of the State of Nebraska, shall constitute a single referendum group.

(2) The managing authority of a political subdivision or educational institution shall be the board, committee, or council having general authority over a political subdivision, university, college, or school district whose employees constitute or are included in a referendum group; the managing authority of the state shall be the Governor; and insofar as sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630 may be applicable to county superintendents and county school administrators, managing authority shall mean the board of county commissioners or county supervisors of the county in which the county superintendent was elected or with which the county school administrator contracted.

(3) Eligible employees, as referred to in sections 68-621 to 68-630, shall mean those employees of the state or any political subdivision thereof who at or during the time of voting in a referendum as herein provided are in positions covered by a retirement system, are members of such retirement system, and were in such positions at the time of giving of the notice of such referendum, as herein required, except that no such employee shall be considered an eligible employee if at the time of such voting such employee is in a position to which the state agreement applies or if such employee is in service in a police officer or firefighter position.

(4) State agreement, as referred to in sections 68-621 to 68-630, shall mean the agreement between the State of Nebraska and the designated officer of the United States of America entered into pursuant to section 68-603.

Sec. 19. Section 68-622, Reissue Revised Statutes of Nebraska, is amended to read:

68-622. (1) All employees of the State of Nebraska or any political subdivision thereof or any instrumentality jointly created by this state and any other state or states who have heretofore been excluded from receiving or qualifying for benefits under Title II of the Social Security Act because of membership in a retirement system may, when sections 68-621 to 68-630 have been complied with, vote at a referendum upon the question of whether service in positions covered by such retirement system should be excluded from or included under the state agreement, except that if such a referendum has been conducted and certified in accordance with section 218(d)(3) of the Social Security Act, as amended in 1954, prior to May 18, 1955, then no further referendum shall be required, but this shall not prohibit the conducting of such further referendum.

(2) The Governor may authorize a referendum and designate any agency or individual to supervise its conduct, in accordance with the requirements of section 218(d)(3) of the Social Security Act, on the question of whether service in positions covered by a retirement system established by the state or by a political subdivision thereof should be excluded from or included under an agreement under sections 68-601 to 68-613 ~~68-618~~ and 68-621 to 68-630.

Sec. 20. Section 68-631, Reissue Revised Statutes of Nebraska, is amended to read:

68-631. Sections 68-601 to 68-613 ~~68-618~~ and any amendments thereto shall, except as otherwise provided in this section, be applicable to metropolitan utilities districts and employees and appointees of metropolitan utilities districts. The state agency contemplated in such sections is authorized to enter, on behalf of the State of Nebraska, into an agreement with any authorized agent of the United States Government for the purpose of extending the benefits of the Federal Old Age and Survivors' Insurance system, as amended by Public Law 761, approved September 1, 1954, to the appointees and employees of each metropolitan utilities district, and all of the appointees and employees covered by a contributory retirement plan are hereby declared to be a separate group for the purposes of referendum and subsequent coverage. Metropolitan utilities districts are hereby declared to be political subdivisions as defined in section 68-602, and the Governor is authorized to appoint the board of directors of any metropolitan utilities district as the agency designated by him or her to supervise any referendum required to be conducted under the Social Security Act and is authorized to make any certifications required by the act to be made to the Secretary of Health and Human Services.

Sec. 21. Section 72-815, Reissue Revised Statutes of Nebraska, is amended to read:

72-815. (1) The state building division of the Department of Administrative Services shall be responsible for the sale, lease, or other disposal of a building or land, whichever action is ordered by the committee.

(2) If a building is to be demolished, section 72-810 shall not apply, but the state building division shall notify the State Historic Preservation Officer of such demolition at least thirty days prior to the beginning of the demolition or disassembly so that the officer may collect any photographic or other evidence he or she may find of historic value.

(3)(a) If a building or land is to be sold or leased, the state building division shall cause an appraisal to be made of the building or land. The sale, lease, or other disposal of the building or land shall comply with all relevant statutes pertaining to the sale or lease of surplus state property, except that if the state building division fails to receive an offer from a state agency in which the agency certifies that it (i) intends to use the building for the purposes for which it was designed, intended, or remodeled or to remodel the building for uses which will serve the agency's purposes or (ii) intends to use the land for the purposes for which it was acquired or received, the state building division shall then notify the Department of Economic Development that the building or land is available for sale or lease so that the department may refer to the state building division any potential buyers or lessees of which the department may be aware. The state building division may then sell or lease the building or land by such method as is to the best advantage of the State of Nebraska, including auction, sealed bid, private sale, or public sale. The state building division may use the services of a real estate broker licensed under the Nebraska Real Estate License Act. Priority shall be given to other political subdivisions of state government, then to persons contracting with the state or political subdivisions of the state who will use the building or land for middle-income or low-income rental housing for at least fifteen years, and finally to referrals from the Department of Economic Development.

(b) All sales and leases shall be in the name of the State of Nebraska. The state building division may provide that a deed of sale include restrictions on the building or land to ensure that the use and appearance of the building or land remain compatible with any adjacent state-owned property.

(c) The proceeds of the sale or lease shall be deposited with the State Treasurer and credited to the Vacant Building and Excess Land Cash Fund unless the state agency formerly responsible for the building or land certifies to the state building division that the building or land was purchased in part or in total from cash or federal funds, in which event, after the costs of selling or leasing the building or land are deducted from the proceeds of the sale or lease and such amount is credited to the fund, the remaining proceeds of the sale or lease shall be credited to the cash or federal account in the percentage used in originally purchasing the building or land.

(4) The state building division shall be responsible for the maintenance of the building or land if maintenance is ordered by the committee and shall be responsible for maintenance of the building or land pending sale or lease of the building or land.

Sec. 22. Section 72-816, Revised Statutes Supplement, 1999, is amended to read:

72-816. (1) The Vacant Building and Excess Land Cash Fund is created. ~~The Department of Administrative Services shall administer the fund which~~ The fund shall consist of proceeds credited to the fund pursuant to section 72-815. The fund shall be used to pay for the maintenance of vacant state buildings and excess state land and for expenses related to the disposal of state buildings and land referred to the ~~department~~ Department of Administrative Services by the committee pursuant to sections 72-811 to 72-818, except through ~~June 30~~ July 14, 2003, funds shall only be used as provided in subsection ~~(5)~~ (4) of this section. The fund shall be administered by the state building division of the Department of Administrative Services. 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. The fund shall consist of appropriations made to the fund and proceeds credited to the fund pursuant to section 72-815.

~~(2) Funds may be transferred from the Vacant Building and Excess Land Cash Fund to the General Fund at the direction of the Legislature. Any money in the Vacant Building and Excess Land 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) (3) If there are insufficient funds in the fund to enable the department division to fully implement the orders of the committee issued~~

pursuant to sections 72-811 to 72-818, the ~~department~~ division shall implement them in the order which most efficiently meets the purposes of such sections.

(3) ~~(4)~~ Funds appropriated to the Task Force for Building Renewal shall not be used to carry out any of the purposes of such sections (a) unless the building would otherwise qualify for the use of such funds pursuant to the Deferred Building Renewal Act and (b) except for any expenses incurred by the administrator of the Task Force for Building Renewal in fulfilling his or her duties under such sections.

(4) ~~Through July 14, 2003, (5) Through June 30, 2003,~~ the Vacant Building and Excess Land Cash Fund, subject to an available fund balance, shall only be used in the following priority order:

(a) First, to address any immediate life safety concerns of vacant state buildings and excess state land, including the costs of daily maintenance, but excluding any renovation costs;

(b) Second, to complete any authorized transfers to the General Fund at the direction of the Legislature;

(c) Third, (b) Second, to fully complete the maximum cumulative transfers as authorized by Laws 1999, LB 873, section 2;

(e) Third (d) Fourth, to complete the transfer amount as authorized by Laws 1999, LB 873, section 3 section 4 of this act;

(d) Fourth (e) Fifth, to fully complete the maximum cumulative transfers as authorized by Laws 1999, LB 873, section 4 complete the transfer amount as authorized by section 5 of this act;

(e) Fifth (f) Sixth, to fully complete the maximum cumulative transfers as authorized by Laws 1999, LB 873, section 5 complete the transfer amount as authorized by section 6 of this act; and

(f) Sixth (g) Seventh, after completing the purposes of subdivisions (b) through (f) ~~(e)~~ of this subsection, utilize the fund consistent with existing provisions of law.

This subsection shall terminate on ~~July 1~~ July 15, 2003.

Sec. 23. Section 81-1108.03, Reissue Revised Statutes of Nebraska, is amended to read:

81-1108.03. The Master Lease Program Trust Fund is created. The fund shall consist of lease payments made by state agencies and shall be used to pay any lessor who is a party to any financing agreement sponsored by 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. On a monthly basis the accounting division of the Department of Administrative Services shall administratively transfer all interest earnings credited to the fund to the Accounting Division Revolving Fund within ten days after the end of each month. Any earnings from the fund credited to the Accounting Division Revolving Fund shall be used for payment of expenses incurred in administering the financing agreements. Any money in the Master Lease Program Trust 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. 24. Section 81-1108.05, Reissue Revised Statutes of Nebraska, is amended to read:

81-1108.05. The Director of Administrative Services may initiate interfund borrowing among the Building Renewal Allocation Fund, the Information Technology Infrastructure Fund, the Communications Cash Fund, the Vacant Building and Excess Land Cash Fund, and the various revolving funds within the Department of Administrative Services, except that at no time shall aggregate advances from all lending funds to any given borrowing fund exceed one million five hundred thousand dollars. Any outstanding interfund borrowing initiated pursuant to this section shall be repaid by the Department of Administrative Services on or before June 30, ~~2003~~ 2001. Any fund transfers made on or after April 19, 1998, but before May 19, 1999, pursuant to this section shall be reversed by the Department of Administrative Services.

This section shall terminate on July 1, ~~2003~~ 2001.

Sec. 25. Section 81-1108.15, Reissue Revised Statutes of Nebraska, is amended to read:

81-1108.15. (1) The division shall have the primary functions and responsibilities of statewide facilities planning, facilities construction, and facilities administration and shall adopt and promulgate rules and regulations to carry out this section.

(2) Facilities planning shall include the following responsibilities and duties:

(a) To maintain utilization records of all state-owned,

state-occupied, and vacant facilities;

(b) To coordinate comprehensive capital facilities planning;

(c) To define and review program statements based on space utilization standards;

(d) To prepare or review planning and construction documents;

(e) To develop and maintain time-cost schedules for capital construction projects;

(f) To assist the Governor and the Legislative Fiscal Analyst in the preparation of the capital construction budget recommendations;

(g) To maintain a complete inventory of all state-owned, state-occupied, and vacant sites and structures and to review the proposals for naming such sites and structures;

(h) To determine space needs of all state agencies and establish space-allocation standards; and

(i) To cause a state comprehensive capital facilities plan to be developed.

(3) Facilities construction shall include the following powers and duties:

(a) To maintain close contact with and inspections of each project so as to assure execution of time-cost schedules and efficient contract performance if such project's total design and construction cost is more than fifty thousand dollars;

(b) To perform final acceptance inspections and evaluations; and

(c) To coordinate all change or modification orders and progress payment orders.

(4) Facilities administration shall include the following powers and duties:

(a) To serve as state leasing administrator or agent for all facilities to be leased for use by the state and for all state-owned facilities to be rented to state agencies or other parties subject to section 81-1108.22. The division shall remit the proceeds from any rentals of state-owned facilities to the State Treasurer for credit to the State Building Revolving Fund and the Building Renewal Allocation Fund;

(b) To provide all maintenance, repairs, custodial duties, security, and administration for all buildings and grounds owned or leased by the State of Nebraska except as provided in subsection (5) of this section;

(c) To procure and manage office space and assign the remaining office space after the Executive Board of the Legislative Council has made its determination pursuant to subsection (1) of section 81-1108.21;

(d) To be responsible for adequate parking and the designation of parking stalls or spaces in offstreet parking facilities for the exclusive use of handicapped or disabled or temporarily handicapped or disabled persons pursuant to section 18-1737;

(e) To ensure that all state-owned, state-occupied, and vacant facilities are maintained or utilized to their maximum capacity or to dispose of such facilities through lease, sale, or demolition;

(f) To report monthly time-cost data on projects to the Governor and the Clerk of the Legislature;

(g) To administer the State Emergency Capital Construction Contingency Fund;

(h) To submit status reports to the Governor and the Legislative Fiscal Analyst after each quarter of a construction project is completed detailing change orders and expenditures to date. Such reports shall be required on all projects costing five hundred thousand dollars or more and on such other projects as may be designated by the division; and

(i) To submit a final report on each project to the Governor and the Legislative Fiscal Analyst. Such report shall include, but not be limited to, a comparison of final costs and appropriations made for the project, change orders, and modifications and whether the construction complied with the related approved program statement. Such reports shall be required on all projects costing five hundred thousand dollars or more and on such other projects as may be designated by the division.

(5) Subdivisions (4)(a) through (4)(e) of this section shall not apply to ~~(i)~~ (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 Aeronautics, the Department of Roads, and the Board of Educational Lands and Funds, ~~(ii)~~ (b) buildings and grounds owned or leased for use by the University of Nebraska, the Nebraska state colleges, and the Board of Educational Lands and Funds, ~~(iii)~~ (c) buildings and grounds owned, leased, or operated by the Department of Correctional Services, (d) facilities to be leased for nonoffice use by the Department of Roads, ~~(iv)~~ (e) buildings or grounds owned or leased by the Game and Parks Commission if the application

of such subdivisions to the buildings or grounds would result in ineligibility for or repayment of federal funding, ~~(v)~~ (f) buildings or grounds of the state park system, state recreation areas, state historical parks, state wildlife management areas, or state recreational trails, or ~~(vi)~~ (g) other buildings or grounds owned or leased by the State of Nebraska which are specifically exempted by the division because the application of such subdivisions would result in the ineligibility for federal funding or would result in hardship on an agency, board, or commission due to other exceptional or unusual circumstances.

(6) Each member of the Legislature shall receive a copy of the reports required by subdivisions (4)(f), (h), and (i) of this section by making a request for them to the administrator. The information on such reports shall be submitted to the division by the agency responsible for the project.

Sec. 26. Section 81-1110.02, Reissue Revised Statutes of Nebraska, is amended to read:

81-1110.02. ~~The Accounting Division Cash Fund in the Department of Administrative Services accounting division is hereby created. The interest earnings from the Contribution Fund, at the direction of the Legislature pursuant to section 68-613, and receipts for services provided by the division shall be remitted to the State Treasurer for credit to the Accounting Division Cash Fund and shall be used for payment of administrative expenses of the division. The fund shall only 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. The State Treasurer shall transfer the cash and investment balance existing in the fund on June 25, 2000, to the General Fund on or before June 30, 2000.

This section shall terminate on July 1, 2000.

Sec. 27. Section 81-1110.04, Reissue Revised Statutes of Nebraska, is amended to read:

81-1110.04. ~~The Accounting Division Revolving Fund in the Department of Administrative Services accounting division 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. The division shall use the fund to deposit payment for services rendered by the division to prepare warrants, process payroll, process transaction documents, and other services as determined by the Director of Administrative Services and for payment of administrative expenses of the division.~~ 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. 28. Section 81-1117.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-1117.01. ~~For~~ The Imprest Payroll Distributive Fund is created. The fund shall be used for the purpose of coordinating and expediting the payment of the salary and wages of the officers and employees of the various departments and agencies of the state. The fund shall be administered by the Accounting Administrator. 7 there is hereby established in the department a fund to be known as the Imprest Payroll Fund.

Each officer, agency, board, or commission of the state shall prepare its payroll in accordance with policies, procedures, and schedules established by the director.

The director may debit the appropriate programs and funds of each of the agencies, boards, and commissions of the state for the total amount of the payroll based upon the input provided by the agencies and credit the Imprest Payroll Distributive Fund with an identical amount. The director shall make payments from the Imprest Payroll Distributive Fund by warrant or by electronic funds transfer for the net amount of salaries or wages due each individual and to payroll-deduction vendors according to schedules established by the director. The director may make payments from the Imprest Payroll Distributive Fund to the federal government if required by federal regulations for the federal share of retirement accounts for terminating employees pursuant to section 84-1321. Payroll records provided by the director shall disclose all expenditures and payroll deductions attributable to each payroll.

Sec. 29. The State Probation Contractual Services Cash Fund is created. The fund shall consist only of payments received by the state pursuant to contractual agreements with local political subdivisions for probation services provided by the Office of Probation Administration. The fund shall only be used to pay for probation services provided by the Office of Probation Administration to local political subdivisions which enter into contractual agreements with the Office of Probation Administration. The fund shall be administered by the probation 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.

Sec. 30. Original sections 13-2305, 68-601 to 68-605, 68-608, 68-610, 68-612, 68-613, 68-620, 68-622, 68-631, 72-815, 81-1108.03, 81-1108.05, 81-1108.15, 81-1110.02, 81-1110.04, and 81-1117.01, Reissue Revised Statutes of Nebraska, sections 68-621 and 72-816, Revised Statutes Supplement, 1999, and Laws 1999, LB 873, sections 1, 3, 4, and 5, are repealed.

Sec. 31. The following sections are outright repealed: Sections 68-614, 68-615, 68-617, and 68-618, Reissue Revised Statutes of Nebraska.

Sec. 32. Since an emergency exists, this act takes effect when passed and approved according to law.