

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB199

Hearing Date: Monday February 25, 2013
Committee On: Appropriations
Introducer: Speaker Adams
One Liner: Provide fund transfers, create funds, and authorize the sale of land

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 9 Senators Bolz, Conrad, Harms, Kintner, Larson, Mello, Nelson, Nordquist, Wightman
Nay:
Absent:
Present Not Voting:

Proponents:

Gerry Oligmueller

Representing:

Introducer - Governor's Office

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 199 introduced by the Speaker at the request of the Governor, is part of the Governor's biennial budget recommendations.

The bill includes the following new fund or transfer items:

The State Treasurer is directed to make the following transfers:

1. a. Two separate transfers of \$34,954 from the Corporation Cash Fund to the Election Administration Fund to help finance the Secretary of State's election administration operations;
 - b. Two separate transfers of \$200,000 from the Uniform Commercial Code Cash Fund to the Election Administration Fund to help finance the Secretary of State's election administration operations;
 - c. Authorizes three separate transfers as follows to the Nebraska Capital Construction Fund to help finance acquisition or leasing of and allow critical repairs to the current State Patrol Crime Labfacility:
 - i. \$500,000 from the Nebraska Public Safety Communication System Cash Fund,
 - ii. \$1,000,000 from the Public Safety Cash Fund, and
 - iii. \$250,000 from the Nebraska State Patrol Cash Fund;
 - d. Two separate transfers from the General Fund to the Property Tax Credit Cash Fund to continue the property tax relief provided by the state pursuant to the Property Tax Credit Act enacted in 2007;
 - e. Transfers of \$3,300,000 each year from the General Fund to the Water Resources Cash Fund as provided in section 61-218 on such dates and in such amounts as directed by the budget administrator;
 - f. Transfer of the balance of the Campaign Finance Limitation Cash Fund to the Election Administration Fund on or before July 5, 2013, or as soon thereafter as administratively possible.
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The Department of Banking and Finance Settlement Cash Fund is created;

1. The Commission on Indian Affairs Cash Fund is created;
2. Sections 53-117.03 and 53-117.06 are amended to clarify that personnel expenses are an authorized use of the Nebraska Liquor Control Commission Rule and Regulation Cash Fund.
3. Provides that land at the Hastings Regional Center determined to be excess shall be sold and the proceeds, less maintenance expenses pending the sale and selling expenses, plus investment income on the proceeds, shall be transferred from the Vacant Building and Excess Land Cash Fund as follows:
 - a. First, not exceeding \$5,307,000 to the General Fund; then
 - b. Not exceeding \$3,000,000 of available proceeds remaining to the Nebraska Capital Construction Fund.

This legislative bill contains the emergency clause.

Explanation of amendments:

AM659 is the Committee amendment. It strikes the original sections and replaces them with the following.

Sections 1 and 2 make transfers for the Secretary of State. In fiscal year 13-14 we're transferring \$134,954 from the Corporation Cash Fund and \$300,000 from the Uniform Commercial Code Cash Fund to the Election Administration Fund. In fiscal year 14-15, similar transfers are made. The only difference is the amount. They are from \$34,954 and \$200,000, respectively. In the first year, the additional \$100,000 from each fund is being used to buy-down the cost of funding the ongoing updating and maintenance of voting systems throughout the state. The remainder of these transfers are made to meet the regular funding in the Elections Program.

Section 3, 4, 5 and 25 transfer a total of \$4,250,000 to the Nebraska Capital Construction Fund to support the appropriation in LB 198 (Capital Construction Bill) for the State Patrol Crime Lab Facility. This total amount is made up from: \$500,000 from the Nebraska Public Safety Communication System Cash Fund, \$1 million from the Public Safety Cash Fund, \$250,000 from the Nebraska State Patrol Cash Fund, and \$2.5 million from the State Settlement Cash Fund.

Sections 6 and 7 transfer \$113 million each year from the General Fund to the Property Tax Credit Cash Fund.

Sections 8 and 9 transfer \$3.3 million each year from the General Fund to the Water Resources Cash Fund as authorized under section 61-218.

Section 10 transfers \$4 million from the General Fund to the Nebraska Capital Construction Fund on or before June 30, 2014. This is for construction of a new Central Nebraska Veterans' Home.

Sections 11 and 12 make transfers from the General Fund to the Nebraska Cultural Preservation Endowment Fund. In fiscal year 13-14, the transfer is for an amount up to \$1 million. In fiscal year 14-15, the transfer is for an amount up to \$500,000 plus an amount equal to unused transfer authority from the prior fiscal year.

Section 13 transfers \$200,000 each year from the Department of Motor Vehicles Ignition Interlock Fund to the General Fund. The Ignition Interlock Fund balance is in excess of the funds needed to pay the costs of ignition interlock devices for indigent persons.

Section 14 creates the Department of Banking and Finance Settlement Cash Fund.

Section 15 creates the Commission on Indian Affairs Cash Fund.

Section 16 amends Section 8-1120 to make the following transfers:
\$1.25 million from the Securities Act Cash Fund to the Affordable Housing Trust Fund on or before Sept. 1, 2013 and,

again, on or before Sept. 1, 2014

\$250,000 from the Securities Act Cash Fund to the Homeless Shelter Assistance Trust Fund on or before Sept. 1, 2013 and, again, on or before Sept. 1, 2014

\$500,000 from the Securities Act Cash Fund to the Legal Aid and Services Fund on or before Sept. 1, 2013 and, again, on or before Sept. 1, 2014

Section 17 through 19 amends provisions of LB126 into the Funds bill.

Section 20 amends section 45-621 to allow for transfers from the Collection Agency Fund to the Election Administration Fund. Included in section 20 is a transfer of \$100,000 in fiscal year 13-14 to the Elections Administration Fund. This transfer is being made to buy-down the cost of funding the ongoing updating and maintenance of voting systems throughout the state.

Section 23 amends language governing the Affordable Housing Trust Fund and removes language prohibiting transfers from the General Fund and Cash Reserve Fund.

Section 24 Creates a new use for the Affordable Housing Trust Fund: Nonprofit groups would be allowed to obtain grants to carry out vocational training in the housing and construction industries.

Section 26 amends statute to allow for transfers from the Department of Motor Vehicles Ignition Interlock Fund to the General Fund at the direction of the Legislature.

Section 27 Amends language governing the Homeless Shelter Assistance Trust Fund to allow transfers authorized by the Legislature to be deposited in the fund.

Section 28 eliminates the five percent per year transfer amount into the Health Care Cash Fund starting in fiscal year 13-14. The current transfer amount of \$59.1 million remains indefinitely.

Section 29 directs that land at the Hastings Regional Center determined as excess to the state's needs by the Vacant Building and Excess Land Committee is to be sold. Proceeds from the sale of the land will accrue to the Vacant Building and Excess Land Cash Fund. Furthermore, section 29 provides that (a) an amount not exceeding \$5,700,000 be transferred to the General Fund and (b) an amount not exceeding \$3,000,000 be transferred to the Nebraska Capital Construction Fund. Such transfers would effectively compensate the respective funds for amounts appropriated in the capital construction appropriations bill (LB198) to renovate Building No. 3 at the Hastings Regional Center.

Section 30 amends statute to allow for transfers from the Nebraska State Patrol Cash Fund to the Nebraska Capital Construction Fund for fiscal year 2013-14.

Section 31 amends statute to allow for transfers from the Public Safety Cash Fund to the Nebraska Capital Construction Fund for fiscal year 2013-14.

Section 32 amends statute to allow for transfers from the Nebraska Public Safety Communication System Cash Fund to the Nebraska Capital Construction Fund for fiscal year 2013-14.

Section 33 transfers \$1.5 million from the Health and Human Services Cash Fund to the Rural Health Professional Incentive Fund.

Section 34 amends legislative intent language contained in Section 82-331 that schedules the amount of General Fund transfers made to the Nebraska Cultural Preservation Endowment Fund. The language would increase the December 31, 2013 transfer from \$500,000 to \$1 million; the December 31, 2014 transfer would remain at \$500,000 and the December 31, 2015 and December 31, 2016 transfers would be increased from \$500,000 to \$750,000. Due to the

accelerated schedule, transfers in December 2017 and 2018 would not be required, and would be repealed.

Section 35 amends section 82-332 governing the Nebraska Arts and Humanities Cash Fund. The use of the fund would be amended to allow up to \$30,000 to be used for administrative expenses.

Section 36 amends statute to allow for transfers from the Corporation Cash Fund to the Records Management Micrographics Services Revolving Fund and the Secretary of State Administrative Cash Fund. This section goes on to make transfers of \$170,400 in fiscal year 13-14 and \$65,800 in fiscal year 14-15 from the Corporation Cash Fund to the Secretary of State Administration Cash Fund. In addition, transfers of \$39,400 in fiscal year 13-14 and \$21,900 in fiscal year 14-15 from the Corporation Cash Fund to the Records Management Micrographics Services Revolving Fund.

Section 37 is the repealer.

Section 38 is the Emergency Clause.

Heath Mello, Chairperson