

AMENDMENTS TO LB183  
(Amendments to AM1962)

Introduced by Cavanaugh, 6.

1           1. Insert the following new sections:

2           Section 1. Section 71-7611, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4           71-7611 (1) The Nebraska Health Care Cash Fund is created. The State  
5 Treasurer shall transfer (a) sixty million three hundred thousand dollars  
6 on or before July 15, 2014, (b) sixty million three hundred fifty  
7 thousand dollars on or before July 15, 2015, (c) sixty million three  
8 hundred fifty thousand dollars on or before July 15, 2016, (d) sixty  
9 million seven hundred thousand dollars on or before July 15, 2017, (e)  
10 five hundred thousand dollars on or before May 15, 2018, (f) sixty-one  
11 million six hundred thousand dollars on or before July 15, 2018, (g)  
12 sixty-one million three hundred fifty thousand dollars on or before July  
13 15, 2019, and (h) sixty million four hundred fifty thousand dollars on or  
14 before every July 15 thereafter from the Nebraska Medicaid  
15 Intergovernmental Trust Fund and the Nebraska Tobacco Settlement Trust  
16 Fund to the Nebraska Health Care Cash Fund, except that such amount shall  
17 be reduced by the amount of the unobligated balance in the Nebraska  
18 Health Care Cash Fund at the time the transfer is made. The state  
19 investment officer shall advise the State Treasurer on the amounts to be  
20 transferred first from the Nebraska Medicaid Intergovernmental Trust Fund  
21 until the fund balance is depleted and from the Nebraska Tobacco  
22 Settlement Trust Fund thereafter in order to sustain such transfers in  
23 perpetuity. The state investment officer shall report electronically to  
24 the Legislature on or before October 1 of every even-numbered year on the  
25 sustainability of such transfers. The Nebraska Health Care Cash Fund  
26 shall also include money received pursuant to section 77-2602. Except as

1 otherwise provided by law, no more than the amounts specified in this  
2 subsection may be appropriated or transferred from the Nebraska Health  
3 Care Cash Fund in any fiscal year.

4 The State Treasurer shall transfer ten million dollars from the  
5 Nebraska Medicaid Intergovernmental Trust Fund to the General Fund on  
6 June 28, 2018, and June 28, 2019.

7 It is the intent of the Legislature that no additional programs are  
8 funded through the Nebraska Health Care Cash Fund until funding for all  
9 programs with an appropriation from the fund during FY2012-13 are  
10 restored to their FY2012-13 levels.

11 (2) Any money in the Nebraska Health Care Cash Fund available for  
12 investment shall be invested by the state investment officer pursuant to  
13 the Nebraska Capital Expansion Act and the Nebraska State Funds  
14 Investment Act.

15 (3) The University of Nebraska and postsecondary educational  
16 institutions having colleges of medicine in Nebraska and their affiliated  
17 research hospitals in Nebraska, as a condition of receiving any funds  
18 appropriated or transferred from the Nebraska Health Care Cash Fund,  
19 shall not discriminate against any person on the basis of sexual  
20 orientation.

21 (4) The State Treasurer shall transfer fifty thousand dollars on or  
22 before July 15, 2016, from the Nebraska Health Care Cash Fund to the  
23 Board of Regents of the University of Nebraska for the University of  
24 Nebraska Medical Center. It is the intent of the Legislature that these  
25 funds be used by the College of Public Health for workforce training.

26 (5) It is the intent of the Legislature that the cost of the staff  
27 and operating costs necessary to carry out the changes made by Laws 2018,  
28 LB439, and not covered by fees or federal funds shall be funded from the  
29 Nebraska Health Care Cash Fund for fiscal years 2018-19 and 2019-20.

30 (6)(a) Beginning with fiscal year 2020-21, and every fiscal year  
31 thereafter, one dollar of the one dollar and sixty-four cents special

1 privilege tax under subsection (1) of section 77-2602 shall be  
2 distributed as follows:

3 (i) Forty percent to the Nebraska Health Care Cash Fund;

4 (ii) Thirty-five percent for medicaid expansion;

5 (iii) Fifteen percent to the University of Nebraska Medical Center  
6 and the Creighton University Medical Center for cancer research;

7 (iv) Five percent for the Tobacco Prevention and Control Program;

8 and

9 (v) Five percent for addiction treatment services.

10 Sec. 10. Section 77-2602, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 77-2602 (1) Every stamping agent engaged in distributing or selling  
13 cigarettes at wholesale in this state shall pay to the Tax Commissioner  
14 of this state a special privilege tax. This shall be in addition to all  
15 other taxes. It shall be paid prior to or at the time of the sale, gift,  
16 or delivery to the retail dealer in the several amounts as follows: On  
17 each package of cigarettes containing not more than twenty cigarettes,  
18 one dollar and sixty-four cents per package; and on packages containing  
19 more than twenty cigarettes, the same tax as provided on packages  
20 containing not more than twenty cigarettes for the first twenty  
21 cigarettes in each package and a tax of one-twentieth of the tax on the  
22 first twenty cigarettes on each cigarette in excess of twenty cigarettes  
23 in each package.

24 (2) Beginning October 1, 2004, the State Treasurer shall place the  
25 equivalent of forty-nine cents of such tax in the General Fund. The State  
26 Treasurer shall reduce the amount placed in the General Fund under this  
27 subsection by the amount prescribed in subdivision (3)(d) of this  
28 section. For purposes of this section, the equivalent of a specified  
29 number of cents of the tax shall mean that portion of the proceeds of the  
30 tax equal to the specified number divided by the tax rate per package of  
31 cigarettes containing not more than twenty cigarettes.

1 (3) The State Treasurer shall distribute the remaining proceeds of  
2 such tax in the following order:

3 (a) First, beginning July 1, 1980, the State Treasurer shall place  
4 the equivalent of one cent of such tax in the Nebraska Outdoor Recreation  
5 Development Cash Fund. For fiscal year distributions occurring after  
6 FY1998-99, the distribution under this subdivision shall not be less than  
7 the amount distributed under this subdivision for FY1997-98. Any money  
8 needed to increase the amount distributed under this subdivision to the  
9 FY1997-98 amount shall reduce the distribution to the General Fund;

10 (b) Second, beginning July 1, 1993, the State Treasurer shall place  
11 the equivalent of three cents of such tax in the Health and Human  
12 Services Cash Fund to carry out sections 81-637 to 81-640. For fiscal  
13 year distributions occurring after FY1998-99, the distribution under this  
14 subdivision shall not be less than the amount distributed under this  
15 subdivision for FY1997-98. Any money needed to increase the amount  
16 distributed under this subdivision to the FY1997-98 amount shall reduce  
17 the distribution to the General Fund;

18 (c) Third, beginning October 1, 2002, and continuing until all the  
19 purposes of the Deferred Building Renewal Act have been fulfilled, the  
20 State Treasurer shall place the equivalent of seven cents of such tax in  
21 the Building Renewal Allocation Fund. The distribution under this  
22 subdivision shall not be less than the amount distributed under this  
23 subdivision for FY1997-98. Any money needed to increase the amount  
24 distributed under this subdivision to the FY1997-98 amount shall reduce  
25 the distribution to the General Fund;

26 (d) Fourth, until July 1, 2009, the State Treasurer shall place in  
27 the Municipal Infrastructure Redevelopment Fund the sum of five hundred  
28 twenty thousand dollars each fiscal year to carry out the Municipal  
29 Infrastructure Redevelopment Fund Act. The Legislature shall appropriate  
30 the sum of five hundred twenty thousand dollars each year for fiscal year  
31 2003-04 through fiscal year 2008-09;

1 (e) Fifth, beginning July 1, 2001, and continuing until June 30,  
2 2008, the State Treasurer shall place the equivalent of two cents of such  
3 tax in the Information Technology Infrastructure Fund. The distribution  
4 under this subdivision shall not be less than two million fifty thousand  
5 dollars. Any money needed to increase the amount distributed under this  
6 subdivision to two million fifty thousand dollars shall reduce the  
7 distribution to the General Fund;

8 (f) Sixth, beginning July 1, 2001, and continuing until June 30,  
9 2016, the State Treasurer shall place one million dollars each fiscal  
10 year in the City of the Primary Class Development Fund. If necessary, the  
11 State Treasurer shall reduce the distribution of tax proceeds to the  
12 General Fund pursuant to subsection (2) of this section by such amount  
13 required to fulfill the one million dollars to be distributed pursuant to  
14 this subdivision;

15 (g) Seventh, beginning July 1, 2001, and continuing until June 30,  
16 2016, the State Treasurer shall place one million five hundred thousand  
17 dollars each fiscal year in the City of the Metropolitan Class  
18 Development Fund. If necessary, the State Treasurer shall reduce the  
19 distribution of tax proceeds to the General Fund pursuant to subsection  
20 (2) of this section by such amount required to fulfill the one million  
21 five hundred thousand dollars to be distributed pursuant to this  
22 subdivision;

23 (h) Eighth, beginning July 1, 2008, and continuing until June 30,  
24 2009, the State Treasurer shall place the equivalent of two million fifty  
25 thousand dollars of such tax in the Nebraska Public Safety Communication  
26 System Cash Fund. Beginning July 1, 2009, and continuing until June 30,  
27 2016, the State Treasurer shall place the equivalent of two million five  
28 hundred seventy thousand dollars of such tax in the Nebraska Public  
29 Safety Communication System Cash Fund. Beginning July 1, 2016, and every  
30 fiscal year thereafter, the State Treasurer shall place the equivalent of  
31 three million eight hundred twenty thousand dollars of such tax in the

1 Nebraska Public Safety Communication System Cash Fund. If necessary, the  
2 State Treasurer shall reduce the distribution of tax proceeds to the  
3 General Fund pursuant to subsection (2) of this section by such amount  
4 required to fulfill the distribution pursuant to this subdivision; and

5 (i) Ninth, beginning July 1, 2016, and every fiscal year thereafter,  
6 the State Treasurer shall place the equivalent of one million two hundred  
7 fifty thousand dollars of such tax in the Nebraska Health Care Cash Fund.  
8 If necessary, the State Treasurer shall reduce the distribution of tax  
9 proceeds to the General Fund pursuant to subsection (2) of this section  
10 by such amount required to fulfill the distribution pursuant to this  
11 subdivision.

12 (4) If, after distributing the proceeds of such tax pursuant to  
13 subsections (2) and (3) of this section, any proceeds of such tax remain,  
14 the State Treasurer shall place such remainder in the Nebraska Capital  
15 Construction Fund.

16 (5) The Legislature hereby finds and determines that the projects  
17 funded from the Municipal Infrastructure Redevelopment Fund and the  
18 Building Renewal Allocation Fund are of critical importance to the State  
19 of Nebraska. It is the intent of the Legislature that the allocations and  
20 appropriations made by the Legislature to such funds or, in the case of  
21 allocations for the Municipal Infrastructure Redevelopment Fund, to the  
22 particular municipality's account not be reduced until all contracts and  
23 securities relating to the construction and financing of the projects or  
24 portions of the projects funded from such funds or accounts of such funds  
25 are completed or paid or, in the case of the Municipal Infrastructure  
26 Redevelopment Fund, the earlier of such date or July 1, 2009, and that  
27 until such time any reductions in the cigarette tax rate made by the  
28 Legislature shall be simultaneously accompanied by equivalent reductions  
29 in the amount dedicated to the General Fund from cigarette tax revenue.  
30 Any provision made by the Legislature for distribution of the proceeds of  
31 the cigarette tax for projects or programs other than those to (a) the

1 General Fund, (b) the Nebraska Outdoor Recreation Development Cash Fund,  
2 (c) the Health and Human Services Cash Fund, (d) the Municipal  
3 Infrastructure Redevelopment Fund, (e) the Building Renewal Allocation  
4 Fund, (f) the Information Technology Infrastructure Fund, (g) the City of  
5 the Primary Class Development Fund, (h) the City of the Metropolitan  
6 Class Development Fund, (i) the Nebraska Public Safety Communication  
7 System Cash Fund, and (j) the Nebraska Health Care Cash Fund shall not be  
8 made a higher priority than or an equal priority to any of the programs  
9 or projects specified in subdivisions (a) through (j) of this subsection.

10 2. Renumber the remaining sections and correct internal references  
11 accordingly.

12 3. Correct the operative date and repealer sections so that the  
13 sections added by this amendment become operative on their effective  
14 date.