

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 785

Introduced by McKinney, 11.

Read first time January 18, 2023

Committee: Appropriations

- 1 A BILL FOR AN ACT relating to appropriations; to amend section 84-612,
- 2 Revised Statutes Cumulative Supplement, 2022; to state legislative
- 3 intent to appropriate funds to the Department of Natural Resources
- 4 and the Department of Economic Development; to repeal the original
- 5 section; and to declare an emergency.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) The Legislature hereby finds and declares that:

2 (a) The COVID-19 public health emergency has caused widespread
3 economic, social, and public health-related turmoil that deepened
4 existing disparities;

5 (b) The social and economic challenges caused and exacerbated by the
6 COVID-19 public health emergency include high unemployment, wage losses,
7 increased homelessness, and food insecurity;

8 (c) The impact of the COVID-19 public health emergency and related
9 challenges were disproportionately felt in low-income and minority
10 communities, such as North and South Omaha;

11 (d) The social and economic challenges in North and South Omaha have
12 persisted for multiple generations, partially fueled by past racial
13 segregation and the historical practice known as redlining;

14 (e) Funding under the federal American Rescue Plan Act of 2021 and
15 unprecedented cash reserves present a once-in-a-lifetime opportunity to
16 respond to the challenges facing North and South Omaha that have been
17 exacerbated by the COVID-19 public health emergency; and

18 (f) Federal guidance issued by the United States Department of the
19 Treasury has identified qualified census tracts as areas in which certain
20 activities and investments will be deemed presumptively eligible for the
21 use of funds under the federal act.

22 (2) It is the intent of the Legislature to appropriate \$250,000,000
23 from Federal Funds for FY2023-24 to the Department of Natural Resources
24 for the purposes described in subsection (4) of this section. The Federal
25 Funds described in this section are from the funds allocated to the State
26 of Nebraska from the federal Coronavirus State Fiscal Recovery Fund
27 pursuant to the federal American Rescue Plan Act of 2021, Public Law
28 117-2, Subtitle M, Sec. 9901.

29 (3) It is the intent of the Legislature to appropriate \$350,000,000
30 from the General Fund for FY2023-24 to the Department of Economic
31 Development for the purposes described in subsection (4) of this section.

1 (4)(a) The Department of Economic Development shall create the North
2 and South Omaha Recovery Grant Program to provide funding to public and
3 private entities to respond to the negative impact of the COVID-19 public
4 health emergency and build resilient communities. The Department of
5 Economic Development shall work with the Department of Natural Resources
6 to carry out the North and South Omaha Recovery Grant Program.

7 (b) To be eligible for a grant pursuant to the North and South Omaha
8 Recovery Grant Program, an applicant shall explain how the grant will
9 relieve the negative impact of the COVID-19 public health emergency
10 within a qualified census tract located within the boundaries of a city
11 of the metropolitan class and build resilient communities.

12 (c) For purposes of this section, qualified census tract means a
13 qualified census tract as defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as
14 such section existed on January 1, 2022.

15 Sec. 2. Section 84-612, Revised Statutes Cumulative Supplement,
16 2022, is 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 fifty-four million seven

1 hundred thousand dollars on or after July 1, 2019, but before June 15,
2 2021, from the Cash Reserve Fund to the Nebraska Capital Construction
3 Fund on such dates and in such amounts as directed by the budget
4 administrator of the budget division of the Department of Administrative
5 Services.

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

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

17 (7) No funds shall be transferred from the Cash Reserve Fund to
18 fulfill the obligations created under the Nebraska Property Tax Incentive
19 Act unless the balance in the Cash Reserve Fund after such transfer will
20 be at least equal to five hundred million dollars.

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

26 (9) The State Treasurer shall transfer eight million three hundred
27 thousand dollars from the Cash Reserve Fund to the Trail Development and
28 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on
29 such dates and in such amounts as directed by the budget administrator of
30 the budget division of the Department of Administrative Services.

31 (10) The State Treasurer shall transfer fifty million dollars from

1 the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after
2 July 1, 2022, but before July 15, 2023, on such dates and in such amounts
3 as directed by the budget administrator of the budget division of the
4 Department of Administrative Services.

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

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

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

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

25 (15) The State Treasurer shall transfer twenty million dollars from
26 the Cash Reserve Fund to the Site and Building Development Fund on July
27 15, 2022, or as soon thereafter as administratively possible, and in such
28 amounts as directed by the budget administrator of the budget division of
29 the Department of Administrative Services.

30 (16) The State Treasurer shall transfer fifty million dollars from
31 the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund

1 on or after July 15, 2022, but before January 1, 2023, on such dates and
2 in such amounts as directed by the budget administrator of the budget
3 division of the Department of Administrative Services.

4 (17) The State Treasurer shall transfer fifteen million dollars from
5 the Cash Reserve Fund to the Site and Building Development Fund on or
6 before June 30, 2022, on such dates and in such amounts as directed by
7 the budget administrator of the budget division of the Department of
8 Administrative Services.

9 (18) The State Treasurer shall transfer fifty-five million dollars
10 from the Cash Reserve Fund to the Economic Recovery Contingency Fund on
11 or 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 three hundred fifty million
15 dollars from the Cash Reserve Fund to the General Fund as soon as
16 administratively possible after the effective date of this act, on such
17 dates and in such amounts as directed by the budget administrator of the
18 budget division of the Department of Administrative Services.

19 Sec. 3. Original section 84-612, Revised Statutes Cumulative
20 Supplement, 2022, is repealed.

21 Sec. 4. Since an emergency exists, this act takes effect when
22 passed and approved according to law.