

LEGISLATIVE BILL 1413

Approved by the Governor April 1, 2024

Introduced by Speaker Arch, 14; at the request of the Governor.

A BILL FOR AN ACT relating to funds; to amend sections 2-1507, 45-930, 48-621, 48-622.01, 58-703, and 59-1608.04, Reissue Revised Statutes of Nebraska, sections 55-901, 61-405, 68-996, 71-812, 79-810, 81-1201.21, 81-12,146, and 81-12,157, Revised Statutes Cumulative Supplement, 2022, and sections 37-1804, 48-622.02, 71-5328, 71-7611, 72-819, 79-1054, 81-12,147, 81-12,221, 81-12,222, 81-12,243, 84-612, and 86-324, Revised Statutes Supplement, 2023; to define and redefine terms; to provide for, change, and eliminate fund transfers; to create, rename, and change the use of certain funds; to provide powers for the Auditor of Public Accounts; to change provisions of the Shovel-Ready Capital Recovery and Investment Act and the Business Innovation Act relating to requests for grants; to change provisions relating to a museum and visitor center honoring Chief Standing Bear; to require prioritization of certain grant applications under the Water Sustainability Fund; to eliminate obsolete provisions; to harmonize provisions; to repeal the original sections; and to declare an emergency.
Be it enacted by the people of the State of Nebraska,

Section 1. The State Treasurer shall transfer \$7,000,000 from the Department of Education Innovative Grant Fund to the Education Future Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 2. The State Treasurer shall transfer \$5,000,000 from the Department of Education Innovative Grant Fund to the Education Future Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 3. The State Treasurer shall transfer \$500,000 from the Professional Practices Commission Fund to the Education Future Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 4. The State Treasurer shall transfer \$3,000,000 from the Records Management Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 5. The State Treasurer shall transfer \$2,500,000 from the Employment Security Special Contingent Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 6. The State Treasurer shall transfer \$2,500,000 from the Employment Security Special Contingent Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 7. The State Treasurer shall transfer \$12,500,000 from the Affordable Housing Trust Fund to the Rural Workforce Housing Investment Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 8. The State Treasurer shall transfer \$12,500,000 from the Affordable Housing Trust Fund to the Middle Income Workforce Housing Investment Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 9. The State Treasurer shall transfer \$4,000,000 from the Civic and Community Center Financing Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 10. The State Treasurer shall transfer the remaining unexpended balance of the Job Training Cash Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 11. The State Treasurer shall transfer \$9,000,000 from the Site and Building Development Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 12. The State Treasurer shall transfer \$1,166,542 from the Department of Motor Vehicles Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 13. The State Treasurer shall transfer \$526,716 from the Department of Motor Vehicles Cash Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the

budget division of the Department of Administrative Services.

Sec. 14. The State Treasurer shall transfer \$6,500,000 from the Water Recreation Enhancement Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 15. The State Treasurer shall transfer \$4,000,000 from the Department of Revenue Enforcement Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 16. The State Treasurer shall transfer \$1,000,000 from the Department of Revenue Enforcement Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 17. The State Treasurer shall transfer \$7,000,000 from the Charitable Gaming Operations Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 18. The State Treasurer shall transfer \$1,500,000 from the Charitable Gaming Operations Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 19. The State Treasurer shall transfer \$7,000,000 from the Professional and Occupational Credentialing Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 20. The State Treasurer shall transfer \$11,000,000 from the Behavioral Health Services Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 21. The State Treasurer shall transfer \$2,000,000 from the Behavioral Health Services Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 22. The State Treasurer shall transfer \$14,750,000 from the Health and Human Services Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 23. The State Treasurer shall transfer \$1,750,000 from the Health and Human Services Cash Fund to the General Fund on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 24. The State Treasurer shall transfer \$1,000,000 from the Contractor and Professional Employer Organization Registration Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 25. The State Treasurer shall transfer \$1,000,000 from the Nebraska Training and Support Cash Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 26. The State Treasurer shall transfer \$30,000,000 from the State Unemployment Insurance Trust Fund to the General Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 27. The State Treasurer shall transfer \$40,000,000 from the State Unemployment Insurance Trust Fund to the Workforce Development Program Cash Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 28. The State Treasurer shall transfer \$500,000 from the State Settlement Cash Fund to the Financial Literacy Cash Fund on or after July 1, 2024, but before July 31, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 29. The State Treasurer shall transfer \$50,000,000 from the Jobs and Economic Development Initiative Fund to the Roads Operations Cash Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 30. The Commission on African American Affairs Cash Fund is hereby created. The fund shall be administered by the Commission on African American Affairs. The fund shall consist of money from contracts, fees, gifts, grants, or bequests from nonfederal sources received by the state and any investment income earned on the fund. The fund may be used to support the commission's operations pursuant to sections 81-2601 to 81-2607. 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. 31. The Museum Construction and Maintenance Fund is hereby created. The fund shall consist of transfers at the direction of the Legislature and any

gifts, bequests, or other contributions to such fund from public or private entities. The Game and Parks Commission shall administer the fund. The fund shall be used to provide grants to a federally recognized Indian tribe for the purposes of construction of a museum and visitor center honoring Chief Standing Bear, including visitor center development, exhibit fabrication, and historical interpretation, and for any administrative costs related to the grants. 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. Investment earnings shall be credited to the fund.

Sec. 32. The Workforce Development Program Cash Fund is hereby created. The fund shall consist of transfers authorized by the Legislature. The Department of Labor shall administer the fund to provide workforce development grants. 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. 33. Section 2-1507, Reissue Revised Statutes of Nebraska, is amended to read:

2-1507 (1) It is the intent of the Legislature that the Water Sustainability Fund be equitably distributed statewide to the greatest extent possible for the long term and give priority funding status to projects which are the result of federal mandates.

(2) Distributions to assist municipalities with the cost of constructing, upgrading, developing, and replacing sewer infrastructure facilities as part of a combined sewer overflow project shall be based on a demonstration of need and shall equal ten percent of the total annual appropriation to the Water Sustainability Fund if (a) applicants have applied for such funding as required under section 2-1509 and (b) any such application has been recommended for further consideration by the director and is subsequently approved for allocation by the commission pursuant to subsection (1) of section 2-1511. If more than one municipality demonstrates a need for funds pursuant to this subsection, funds shall be distributed proportionally based on population.

(3) Any money in the Water Sustainability Fund may be allocated by the commission to applicants in accordance with sections 2-1506 to 2-1513. Such money may be allocated in the form of grants or loans for water sustainability programs, projects, or activities undertaken within the state. The allocation of funds to a program, project, or activity in one form shall not of itself preclude additional allocations in the same or any other form to the same program, project, or activity. The commission shall, when ranking and scoring applications for funding, prioritize projects for drinking water improvements for any federally recognized Indian tribe whose drinking water is under a no-drink order from the United States Environmental Protection Agency.

(4) When the commission has approved an allocation of funds to a program, project, or activity, the Department of Natural Resources shall establish a subaccount in the Water Sustainability Fund and credit the entire amount of the allocation to the subaccount. Individual subaccounts shall be established for each program, project, or activity approved by the commission. The commission may approve a partial allocation to a program, project, or activity based upon available unallocated funds in the Water Sustainability Fund, but the amount of unfunded allocations shall not exceed eleven million dollars. Additional allocations to a program, project, or activity shall be credited to the same subaccount as the original allocation. Subaccounts shall not be subject to transfer out of the Water Sustainability Fund, except that the commission may authorize the transfer of excess or unused funds from a subaccount and into the unreserved balance of the fund.

(5) A natural resources district is eligible for funding from the Water Sustainability Fund only if the district has adopted or is currently participating in the development of an integrated management plan pursuant to subdivision (1)(a) or (b) of section 46-715.

(6) The commission shall utilize the resources and expertise of and collaborate with the Department of Natural Resources, the University of Nebraska, the Department of Environment and Energy, the Nebraska Environmental Trust Board, and the Game and Parks Commission on funding and planning for water programs, projects, or activities.

(7) A biennial report shall be made to the Clerk of the Legislature describing the work accomplished by the use of funds towards the goals of the Water Sustainability Fund beginning on December 31, 2015. The report submitted to the Clerk of the Legislature shall be submitted electronically.

Sec. 34. Section 37-1804, Revised Statutes Supplement, 2023, is amended to read:

37-1804 (1) The Water Recreation Enhancement Fund is created. The fund shall be administered by the Game and Parks Commission. The State Treasurer shall credit to the fund any money transferred to the fund by the Legislature and such donations, gifts, bequests, or other money received from any federal or state agency or public or private source. Except as otherwise provided in subsections (2) and (3) of this section, the fund shall be used for water and recreational projects pursuant to the Water Recreation Enhancement Act. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Water Recreation Enhancement Fund 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. Any investment earnings from investment of money in the fund shall be credited to the fund.

(2) For any amount credited to the fund from a source other than a transfer authorized by the Legislature, the State Treasurer shall transfer an equal amount from the Water Recreation Enhancement Fund to the Jobs and Economic Development Initiative Fund at the end of the fiscal year in which such funds were credited, on such dates as directed by the budget administrator of the budget division of the Department of Administrative Services to be used pursuant to section 61-405.

(3) Transfers may be made from the investment earnings in the Water Recreation Enhancement Fund to the Panhandle Improvement Project Cash Fund at the direction of the Legislature. The State Treasurer shall transfer one million dollars on July 1, 2023, or as soon thereafter as administratively possible, from the Water Recreation Enhancement Fund to the Panhandle Improvement Project Cash Fund.

Sec. 35. Section 45-930, Reissue Revised Statutes of Nebraska, is amended to read:

45-930 The Financial Literacy Cash Fund is created. The fund shall consist of amounts Amounts credited to the fund from shall include that portion of each renewal fee as provided in section 45-927, and such other revenue as is incidental to administration of the fund, and transfers authorized by the Legislature. The fund shall be administered by the University of Nebraska. The fund and shall be used to provide assistance to nonprofit entities that offer financial literacy programs to students in grades kindergarten through twelve and to provide assistance for the tenant assistance project administered by the Housing Justice Clinic at the University of Nebraska College of Law that provides legal services to low-income families facing eviction. 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. 36. Section 48-621, Reissue Revised Statutes of Nebraska, is amended to read:

48-621 (1) The administrative fund shall consist of the Employment Security Administration Fund and the Employment Security Special Contingent Fund. Each fund shall be maintained as a separate and distinct account in all respects, as follows:

(a) There is hereby created in the state treasury a special fund to be known as the Employment Security Administration Fund. All money credited to this fund is hereby appropriated and made available to the Commissioner of Labor. All money in this fund shall be expended solely for the purposes and in the amounts found necessary as defined by the specific federal programs, state statutes, and contract obligations for the proper and efficient administration of all programs of the Department of Labor. The fund shall consist of all money appropriated by this state and all money received from the United States of America or any agency thereof, including the Department of Labor and the Railroad Retirement Board, or from any other source for such purpose. Money received from any agency of the United States or any other state as compensation for services or facilities supplied to such agency, any amounts received pursuant to any surety bond or insurance policy for losses sustained by the Employment Security Administration Fund or by reason of damage to equipment or supplies purchased from money in such fund, and any proceeds realized from the sale or disposition of any equipment or supplies which may no longer be necessary for the proper administration of such programs shall also be credited to this fund. All money in the Employment Security Administration Fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as provided by law for other special funds in the state treasury. Any balances in this fund, except balances of money therein appropriated from the General Fund of this state, shall not lapse at any time. Fund balances shall be continuously available to the commissioner for expenditure consistent with the Employment Security Law. Any money in the Employment Security Administration 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; and

(b) There is hereby created in the state treasury a special fund to be known as the Employment Security Special Contingent Fund. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Employment Security Special Contingent 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. All money collected under section 48-655 as interest on delinquent contributions, less refunds, shall be credited to this fund from the clearing account of the Unemployment Compensation Fund at the end of each calendar quarter. Such money shall not be expended or available for expenditure in any manner to permit substitution for, or a corresponding reduction in, federal funds which, in the absence of such money, would be available to finance expenditures for the administration of the unemployment insurance law. However, nothing in this section shall prevent the money in the Employment Security Special Contingent Fund from being used as a revolving fund to cover necessary and proper expenditures under the law for which federal, state, or contractual funds are owed but have not yet been received. Upon receipt of such funds, covered expenditures shall be charged against such funds. Money in the Employment Security Special Contingent Fund may only be used by the Commissioner of Labor as follows:

(i) To replace within a reasonable time any money received by this state pursuant to section 302 of the federal Social Security Act, as amended, and

required to be paid under section 48-622;

(ii) To meet special extraordinary and contingent expenses which are deemed essential for good administration but which are not provided in grants from the Secretary of Labor of the United States. No expenditures shall be made from this fund for this purpose except on written authorization by the Governor at the request of the Commissioner of Labor; and

(iii) To be transferred to the Job Training Cash Fund.

(2)(a) Money credited to the account of this state in the Unemployment Trust Fund by the United States Secretary of the Treasury pursuant to section 903 of the Social Security Act may not be requisitioned from this state's account or used except:

(i) For the payment of benefits pursuant to section 48-619; and

(ii) For the payment of expenses incurred for the administration of the Employment Security Law and public employment offices. Money requisitioned or used for this purpose must be pursuant to a specific appropriation by the Legislature. Any such appropriation law shall specify the amount and purposes for which the money is appropriated and must be enacted before expenses may be incurred and money may be requisitioned. Such appropriation is subject to the following conditions:

(A) Money may be obligated for a limited period ending not more than two years after the effective date of the appropriation law; and

(B) An obligated amount shall not exceed the aggregate amounts transferred to the account of this state pursuant to section 903 of the Social Security Act less the aggregate of amounts used by this state pursuant to the Employment Security Law and amounts charged against the amounts transferred to the account of this state.

(b) For purposes of subdivision (2)(a)(ii)(B) of this section, amounts appropriated for administrative purposes shall be charged against transferred amounts when the obligation is entered into.

(c) The appropriation, obligation, and expenditure or other disposition of money appropriated under this subsection shall be accounted for in accordance with standards established by the United States Secretary of Labor.

(d) Money appropriated as provided in this subsection for the payment of administration expenses shall be requisitioned as needed for the payment of obligations incurred under such appropriation. Upon requisition, administration expenses shall be credited to the Employment Security Administration Fund from which such payments shall be made. Money so credited shall, until expended, remain a part of the Employment Security Administration Fund. If not immediately expended, credited money shall be returned promptly to the account of this state in the Unemployment Trust Fund.

(e) Notwithstanding subdivision (2)(a) of this section, money credited with respect to federal fiscal years 1999, 2000, and 2001 shall be used solely for the administration of the unemployment compensation program and are not subject to appropriation by the Legislature.

Sec. 37. Section 48-622.01, Reissue Revised Statutes of Nebraska, is amended to read:

48-622.01 (1) There is hereby created in the state treasury a special fund to be known as the State Unemployment Insurance Trust Fund. All state unemployment insurance tax collected under sections 48-648 to 48-661, less refunds, shall be paid into the fund. Transfers may be made from the fund to the General Fund and the Workforce Development Program Cash Fund at the direction of the Legislature. Such money shall be held in trust for payment of unemployment insurance benefits. Any money in the State Unemployment Insurance Trust Fund 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, except that interest earned on money in the fund shall be credited to the Nebraska Training and Support Cash Fund at the end of each calendar quarter.

(2) The commissioner shall have the authority to determine when and in what amounts withdrawals from the State Unemployment Insurance Trust Fund for payment of benefits are necessary. Amounts withdrawn for payment of benefits shall be immediately forwarded to the Secretary of the Treasury of the United States of America to the credit of the state's account in the Unemployment Trust Fund, any provision of law in this state relating to the deposit, administration, release, or disbursement of money in the possession or custody of this state to the contrary notwithstanding.

(3) If and when the state unemployment insurance tax ceases to exist as determined by the Governor, all money then in the State Unemployment Insurance Trust Fund less accrued interest shall be immediately transferred to the credit of the state's account in the Unemployment Trust Fund, any provision of law in this state relating to the deposit, administration, release, or disbursement of money in the possession or custody of this state to the contrary notwithstanding. The determination to eliminate the state unemployment insurance tax shall be based on the solvency of the state's account in the Unemployment Trust Fund and the need for training of Nebraska workers. Accrued interest in the State Unemployment Insurance Trust Fund shall be credited to the Nebraska Training and Support Cash Fund.

Sec. 38. Section 48-622.02, Revised Statutes Supplement, 2023, is amended to read:

48-622.02 (1) The Nebraska Training and Support Cash Fund is created. 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. No expenditures shall be made from the

Nebraska Training and Support Cash Fund without the written authorization of the Governor upon the recommendation of the commissioner. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any interest earned on money in the State Unemployment Insurance Trust Fund shall be credited to the Nebraska Training and Support Cash Fund.

(2) Money in the Nebraska Training and Support Cash Fund shall be used for (a) administrative costs of establishing, assessing, collecting, and maintaining state unemployment insurance tax liability and payments, (b) administrative costs of creating, operating, maintaining, and dissolving the State Unemployment Insurance Trust Fund and the Nebraska Training and Support Cash Fund, (c) support of public and private job training programs designed to train, retrain, or upgrade work skills of existing Nebraska workers of for-profit and not-for-profit businesses, (d) recruitment of workers to Nebraska, (e) training new employees of expanding Nebraska businesses, (f) retention of existing employees of Nebraska businesses, (g) the costs of creating a common web portal for the attraction of businesses and workers to Nebraska, (h) developing and conducting labor availability and skills gap studies pursuant to the Sector Partnership Program Act, for which money may be transferred to the Sector Partnership Program Fund as directed by the Legislature, and (i) payment of unemployment insurance benefits if solvency of the state's account in the Unemployment Trust Fund and of the State Unemployment Insurance Trust Fund so require.

(3) The Administrative Costs Reserve Account is created within the Nebraska Training and Support Cash Fund. Money shall be allocated from the Nebraska Training and Support Cash Fund to the Administrative Costs Reserve Account in amounts sufficient to pay the anticipated administrative costs identified in subsection (2) of this section.

(4) The State Treasurer shall transfer two hundred fifty thousand dollars from the Nebraska Training and Support Cash Fund to the Sector Partnership Program Fund no later than July 15, 2016.

Sec. 39. Section 55-901, Revised Statutes Cumulative Supplement, 2022, is amended to read:

55-901 (1) The Military Installation Base Development and Support Fund is created. The fund shall be used to contribute to construction, development, or support ~~for~~ ~~on~~ any military installation base, located in Nebraska, for purposes of improving mission retention and recruitment; supporting the morale, health, and mental wellness of military members and families; and growing the economic impact of military installations bases in Nebraska. The Department of Veterans' Affairs shall administer the fund. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests from any source, including federal, state, public, and private sources, for such purposes. 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.

(2) ~~The fund may be used for any project that directly supports any military installation projects on military bases located in Nebraska. τ including, but not limited to:~~

- ~~(a) An outdoor airman amenity pavilion;~~
- ~~(b) Track and field stadium improvements;~~
- ~~(c) A parade-ground walking trail;~~
- ~~(d) Improvements at Willow Lakes Golf Course;~~
- ~~(e) Base Lake improvements;~~
- ~~(f) Landscape enhancements;~~
- ~~(g) Deterrence Park;~~
- ~~(h) Looking Glass Heritage Park;~~
- ~~(i) Quarters 13 comprehensive repairs, design, and construction; and~~
- ~~(j) B1000 Rooftop Garden.~~

(3) The Department of Veterans' Affairs shall require a match of public or private funding in an amount equal to or greater than one-half of the total cost of any project described listed in subsection (2) of this section prior to authorizing an expenditure from the fund.

(4) For purposes of this section, military installation means a base, camp, post, station, yard, center, armory, or other activity under the jurisdiction of the United States Department of Defense or the Nebraska Military Department.

Sec. 40. Section 58-703, Reissue Revised Statutes of Nebraska, is amended to read:

58-703 The Affordable Housing Trust Fund is created. The fund shall receive money pursuant to section 76-903 and may include revenue from sources recommended by the housing advisory committee established in section 58-704, appropriations from the Legislature, transfers authorized by the Legislature, grants, private contributions, repayment of loans, and all other sources. The Department of Economic Development as part of its comprehensive housing affordability strategy shall administer the Affordable Housing Trust Fund.

Transfers may be made from the Affordable Housing Trust Fund to the General Fund, the Behavioral Health Services Fund, the Lead-Based Paint Hazard Control Cash Fund, the Middle Income Workforce Housing Investment Fund, the Rural Workforce Housing Investment Fund, and the Site and Building Development Fund at the direction of the Legislature.

~~The State Treasurer shall transfer fifty-eight thousand one hundred eighty-eight dollars from the Affordable Housing Trust Fund to the General Fund on or before September 15, 2019, on such date as directed by the budget administrator of the budget division of the Department of Administrative~~

~~Services.~~

Sec. 41. Section 59-1608.04, Reissue Revised Statutes of Nebraska, is amended to read:

59-1608.04 (1) The State Settlement Cash Fund is created. The fund shall be maintained by the Department of Justice and administered by the Attorney General. Except as otherwise provided by law, the fund shall consist of all recoveries received pursuant to the Consumer Protection Act, including any money, funds, securities, or other things of value in the nature of civil damages or other payment, except criminal penalties, whether such recovery is by way of verdict, judgment, compromise, or settlement in or out of court, or other final disposition of any case or controversy, or any other payments received on behalf of the state by the Department of Justice and administered by the Attorney General for the benefit of the state or the general welfare of its citizens, but excluding all funds held in a trust capacity where specific benefits accrue to specific individuals, organizations, or governments. The fund may be expended for any allowable legal purposes as determined by the Attorney General. Transfers from the State Settlement Cash Fund may be made at the direction of the Legislature to the Nebraska Capital Construction Fund, the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund, the Nebraska State Patrol Cash Fund, the Financial Literacy Cash Fund, and the General Fund. To provide necessary financial accountability and management oversight, revenue from individual settlement agreements or other separate sources credited to the State Settlement Cash Fund may be tracked and accounted for within the state accounting system through the use of separate and distinct funds, subfunds, or any other available accounting mechanism specifically approved by the Accounting Administrator for use by the Department of Justice. 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.

(2) The State Treasurer shall transfer two million five hundred thousand dollars from the State Settlement Cash Fund to the Nebraska Capital Construction Fund on July 1, 2013, or as soon thereafter as administratively possible.

(3) The State Treasurer shall transfer eight hundred seventy-six thousand nine hundred ninety-eight dollars from the State Settlement Cash Fund to the General Fund on or before June 30, 2018, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(4) The State Treasurer shall transfer one million seven hundred fifty-six thousand six hundred thirty-nine dollars from the State Settlement Cash Fund to the General Fund on or before June 30, 2019, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(5) The State Treasurer shall transfer one hundred twenty-five thousand dollars from the State Settlement Cash Fund to the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund on or before April 30, 2018, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(6) The State Treasurer shall transfer one hundred fifty thousand dollars from the State Settlement Cash Fund to the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund on or before July 9, 2018, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 42. Section 61-405, Revised Statutes Cumulative Supplement, 2022, is amended to read:

61-405 (1) The Jobs and Economic Development Initiative Fund is created. The fund shall be administered by the Department of Natural Resources. The State Treasurer shall credit to the fund any money transferred to the fund by the Legislature and such donations, gifts, bequests, or other money received from any federal or state agency or public or private source. The fund shall be used for water and recreational projects pursuant to the Jobs and Economic Development Initiative Act. Transfers may be made from the fund to the Cash Reserve Fund or the Roads Operations Cash Fund at the direction of the Legislature. Any money in the Jobs and Economic Development Initiative Fund 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. Any investment earnings from investment of money in the fund shall be credited to the fund.

(2) An amount, not to exceed twenty million dollars, shall be available for site selection costs, feasibility and public water supply studies, and flood mitigation costs of the Department of Natural Resources related to any projects pursuant to the Jobs and Economic Development Initiative Act. The Department of Natural Resources shall, in cooperation with impacted communities, including, but not limited to, any city of the primary class and metropolitan utilities district, contract with an independent consultant to conduct a study on the consequences of any lake located in the Lower Platte River Basin to the public water supply of such communities. Such study shall consider all aspects of water quality, water quantity, and water infrastructure, and any other issues necessary to protect the public water supply, including the impact to future water supply opportunities to the impacted communities.

(3) No funds shall be expended for any project, other than those

enumerated in subsection (2) of this section, from the Jobs and Economic Development Initiative Fund unless the Director of Natural Resources certifies to the budget administrator of the budget division of the Department of Administrative Services that the Department of Natural Resources has conducted any environmental, hydrological, or other feasibility studies the director deems necessary to establish the feasibility of any projects pursuant to the Jobs and Economic Development Initiative Act and that, based on the results of such studies, the director has deemed the projects feasible.

Sec. 43. Section 68-996, Revised Statutes Cumulative Supplement, 2022, is amended to read:

68-996 (1) The Medicaid Managed Care Excess Profit Fund is created. The fund shall contain money returned to the State Treasurer pursuant to subdivision (3) of section 68-995.

(2) The fund shall first be used to offset any losses under subdivision (2) of section 68-995 and then to provide for services addressing the health needs of adults and children under the Medical Assistance Act, including filling service gaps, providing system improvements, providing evidence-based early intervention home visitation programs, and providing other services sustaining access to care as determined by the Legislature. The fund shall only be used for the purposes described in this section.

(3) 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. 44. Section 71-812, Revised Statutes Cumulative Supplement, 2022, is amended to read:

71-812 (1) The Behavioral Health Services Fund is created. The fund shall be administered by the division and shall contain cash funds appropriated by the Legislature or otherwise received by the department for the provision of behavioral health services from any other public or private source and directed by the Legislature for credit to the fund. Transfers may be made from the fund to the General Fund at the direction of the Legislature.

(2) The Behavioral Health Services Fund fund shall be used to encourage and facilitate the statewide development and provision of community-based behavioral health services, including, but not limited to, (a) the provision of grants, loans, and other assistance for such purpose and (b) reimbursement to providers of such services.

(3)(a) Money transferred to the fund under section 76-903 shall be used for housing-related assistance for very low-income adults with serious mental illness, except that if the division determines that all housing-related assistance obligations under this subsection have been fully satisfied, the division may distribute any excess, up to twenty percent of such money, to regional behavioral health authorities for acquisition or rehabilitation of housing to assist such persons. The division shall manage and distribute such funds based upon a formula established by the division, in consultation with regional behavioral health authorities and the department, in a manner consistent with and reasonably calculated to promote the purposes of the public behavioral health system enumerated in section 71-803. The division shall contract with each regional behavioral health authority for the provision of such assistance. Each regional behavioral health authority may contract with qualifying public, private, or nonprofit entities for the provision of such assistance.

(b) For purposes of this subsection:

(i) Adult with serious mental illness means a person eighteen years of age or older who has, or at any time during the immediately preceding twelve months has had, a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders and which has resulted in functional impairment that substantially interferes with or limits one or more major life functions. Serious mental illness does not include DSM V codes, substance abuse disorders, or developmental disabilities unless such conditions exist concurrently with a diagnosable serious mental illness;

(ii) Housing-related assistance includes rental payments, utility payments, security and utility deposits, landlord risk mitigation payments, and other related costs and payments;

(iii) Landlord risk mitigation payment means a payment provided to a landlord who leases or rents property to a very low-income adult with serious mental illness which may be used to pay for excessive damage to the rental property, any lost rent, any legal fees incurred by the landlord in excess of the security deposit, or any other expenses incurred by the landlord as a result of leasing or renting the property to such individual; and

(iv) Very low-income means a household income of fifty percent or less of the applicable median family income estimate as established by the United States Department of Housing and Urban Development.

(4) 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. 45. Section 71-5328, Revised Statutes Supplement, 2023, is amended to read:

71-5328 (1) For purposes of this section:

(a) Department means the Department of Environment and Energy;

(b) Metropolitan utilities district means a district created pursuant to section 14-2101; and

(c) Qualified labor training organization means any job training service

provider headquartered in the State of Nebraska with a demonstrated history of providing workforce training relevant to the skilled labor necessary for the removal and replacement of lead service lines.

(2) The Lead Service Line Cash Fund is created. The fund shall be administered by the ~~department~~ Department of Environment and Energy. The fund shall consist of funds transferred by the Legislature. The fund shall be used for grants under subsections (3) and (4) of this section to ~~utilities districts~~ to expedite the replacement of homeowner-owned lead service lines. 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.

(3) The department shall utilize not more than twenty percent of the money in the Lead Service Line Cash Fund for the purpose of providing grants to qualified labor training organizations for the following:

(a) Infrastructure expenditures necessary to establish a lead service line training facility or for any expenditures necessary to establish a lead service line training program; or

(b) Labor training or any educational programming expenditures necessary to provide the proper trade skills necessary for laborers and plumbers to replace lead service lines.

(4) The department shall utilize all remaining money in the Lead Service Line Cash Fund for the purpose of providing grants to metropolitan utilities districts for the following:

(a) Removing and replacing lead service lines;

(b) Repaying debt incurred for any loan received by the metropolitan utilities district for the purpose of replacing lead service lines, including any loan or loans under the federal Drinking Water State Revolving Fund or any other loan incurred specifically for the purpose of removing lead service lines;

(c) Providing information to residents on the benefits of removing lead service lines;

(d) Performing necessary construction, assessment, mapping, or any other labor, management, or contracted services required for and associated with removing and replacing lead service lines; or

(e) Acquiring any equipment, materials, or supplies necessary to replace lead service lines.

(5) The department may adopt and promulgate rules and regulations to carry out this section.

Sec. 46. Section 71-7611, Revised Statutes Supplement, 2023, is amended to read:

71-7611 (1) The Nebraska Health Care Cash Fund is created. The State Treasurer shall transfer (a) sixty million three hundred thousand dollars on or before July 15, 2014, (b) sixty million three hundred fifty thousand dollars on or before July 15, 2015, (c) sixty million three hundred fifty thousand dollars on or before July 15, 2016, (d) sixty million seven hundred thousand dollars on or before July 15, 2017, (e) five hundred thousand dollars on or before May 15, 2018, (f) sixty-one million six hundred thousand dollars on or before July 15, 2018, (g) sixty-two million dollars on or before July 15, 2019, (h) sixty-one million four hundred fifty thousand dollars on or before July 15, 2020, (i) sixty-six million two hundred thousand dollars on or before July 15, 2022, (j) fifty-six million seven hundred thousand dollars on or before July 15, 2023, (k) fifty-four ~~fifty-six~~ million ~~five hundred thousand~~ dollars on or before July 15, 2024, and (l) fifty-four million one hundred fifty ~~fifty-five million four hundred thousand~~ dollars on or before every July 15 thereafter from the Nebraska Medicaid Intergovernmental Trust Fund and the Nebraska Tobacco Settlement Trust Fund to the Nebraska Health Care Cash Fund, except that such amount shall be reduced by the amount of the unobligated balance in the Nebraska Health Care Cash Fund at the time the transfer is made. The state investment officer shall advise the State Treasurer on the amounts to be transferred first from the Nebraska Medicaid Intergovernmental Trust Fund until the fund balance is depleted and from the Nebraska Tobacco Settlement Trust Fund thereafter in order to sustain such transfers in perpetuity. The state investment officer shall report electronically to the Legislature on or before October 1 of every even-numbered year on the sustainability of such transfers. The Nebraska Health Care Cash Fund shall also include money received pursuant to section 77-2602. Except as otherwise provided by law, no more than the amounts specified in this subsection may be appropriated or transferred from the Nebraska Health Care Cash Fund in any fiscal year.

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

Except as otherwise provided in subsections (5) and (6) of this section, it is the intent of the Legislature that no additional programs are funded through the Nebraska Health Care Cash Fund until funding for all programs with an appropriation from the fund during FY2012-13 are restored to their FY2012-13 levels.

(2) Any money in the Nebraska Health Care 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.

(3) The University of Nebraska and postsecondary educational institutions having colleges of medicine in Nebraska and their affiliated research hospitals in Nebraska, as a condition of receiving any funds appropriated or transferred from the Nebraska Health Care Cash Fund, shall not discriminate against any

person on the basis of sexual orientation.

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

(5) It is the intent of the Legislature to fund the grants to be awarded pursuant to section 75-1101 with the Nebraska Health Care Cash Fund for FY2019-20 and FY2020-21.

(6) The State Treasurer shall transfer fifteen million dollars from the Nebraska Health Care Cash Fund on or after July 1, 2022, but before June 30, 2023, to the Board of Regents of the University of Nebraska for the University of Nebraska Medical Center for pancreatic cancer research at the University of Nebraska Medical Center. Transfers from the Nebraska Health Care Cash Fund in this subsection shall be contingent upon receipt of any matching funds from private or other sources, up to fifteen million dollars, certified by the budget administrator of the budget division of the Department of Administrative Services. Upon receipt of any matching funds certified by the budget administrator, the State Treasurer shall transfer an equal amount of funds to the Board of Regents of the University of Nebraska.

Sec. 47. Section 72-819, Revised Statutes Supplement, 2023, is amended to read:

72-819 (1) The Game and Parks Commission shall award grants to a federally recognized Indian tribe to construct, develop, and manage a museum and visitor center honoring Chief Standing Bear.

(2) It is the intent of the Legislature to appropriate to the Game and Parks Commission for the Chief Standing Bear Museum and visitor center:

(a) ~~Not more than fifteen million dollars for fiscal year 2025-26 from the Museum Construction and Maintenance Fund investment earnings from the Perkins County Canal Project Fund and credited to the Economic Recovery Contingency Fund as provided in section 61-305 for construction of the museum and visitor center; and~~

(b) ~~Seven hundred fifty thousand dollars for fiscal year 2024-25 2025-26 from the Museum Construction and Maintenance Fund investment earnings from the Perkins County Canal Project Fund and credited to the Economic Recovery Contingency Fund as provided in section 61-305 for exhibit fabrication and historical interpretation. ; and~~

~~(c) Two hundred thousand dollars in fiscal year 2025-26 for staffing.~~

~~(3) The Game and Parks Commission may execute a memorandum of understanding or contract with the Nebraska State Historical Society for purposes of museum and visitor center development, exhibit fabrication, and historical interpretation.~~

Sec. 48. Section 79-810, Revised Statutes Cumulative Supplement, 2022, is amended to read:

79-810 (1) Certificates and permits shall be issued by the commissioner upon application on forms prescribed and provided by him or her which shall include the applicant's social security number.

(2) Each certificate or permit issued by the commissioner shall indicate the area of authorization to teach, provide special services, or administer and any areas of endorsement for which the holder qualifies. During the term of any certificate or permit issued by the commissioner, additional endorsements may be made on the certificate or permit if the holder submits an application, meets the requirements for issuance of the additional endorsements, and pays a nonrefundable fee as set by the commissioner, not to exceed fifty-five dollars.

(3) The Certification Fund is created. Any fee received by the department under sections 79-806 to 79-815 shall be remitted to the State Treasurer for credit to the fund. The fund shall be used by the department in paying the costs of certifying educators pursuant to such sections and to carry out subsection (3) of section 79-808. For issuance of a certificate or permit valid in all schools, the nonrefundable fee shall be set by the commissioner, not to exceed seventy-five dollars, except that the commissioner shall designate a portion of the fee, not to exceed seventeen dollars, that shall be credited to the Professional Practices Commission Fund which is created for use by the department to pay for the provisions of sections 79-859 to 79-871. For issuance of a certificate or permit valid only in nonpublic schools, the nonrefundable fee shall be set by the commissioner, not to exceed fifty-five dollars. Transfers may be made from the Professional Practices Commission Fund to the Education Future Fund at the direction of the Legislature. Any money in the Certification Fund or the Professional Practices Commission 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. 49. Section 79-1054, Revised Statutes Supplement, 2023, is amended to read:

79-1054 (1)(a) This subsection applies until July 1, 2024.

(b) The State Board of Education shall establish a competitive innovation grant program with funding from the Nebraska Education Improvement Fund pursuant to section 79-3501. Grantees shall be a school district, an educational service unit, or a combination of entities that includes at least one school district or educational service unit. For grantees that consist of a combination of entities, a participating school district or educational service unit shall be designated to act as the fiscal agent and administer the program funded by the grant. The state board shall only award grants pursuant to applications that the state board deems to be sufficiently innovative and to have a high chance of success.

(c) An application for a grant pursuant to this subsection shall describe:
(i) Specific measurable objectives for improving education outcomes for early childhood students, elementary students, middle school students, or high school students or for improving the transitions between any successive stages of education or between education and the workforce;

(ii) The method for annually evaluating progress toward a measurable objective, with a summative evaluation of progress submitted to the state board and electronically to the Education Committee of the Legislature on or before July 1, 2019;

(iii) The potential for the project to be both scalable and replicable;
and

(iv) Any cost savings that could be achieved by reductions in other programs if the funded program is successful.

(d) Based on evaluations received on or before July 1, 2019, for each grant, the State Board of Education shall recommend the grant project as:

(i) Representing a best practice;

(ii) A model for a state-supported program; or

(iii) A local issue for further study.

(e) On or before December 1, 2017, and on or before December 1 of each year thereafter, the state board shall electronically submit a report to the Clerk of the Legislature on all such grants, including, but not limited to, the results of the evaluations for each grant. The state board may adopt and promulgate rules and regulations to carry out this subsection, including, but not limited to, application procedures, selection procedures, and annual evaluation reporting procedures.

(2)(a) This subsection applies beginning July 1, 2024.

(b) The State Board of Education shall establish innovation grant programs in areas, including, but not limited to, (i) mental health first aid, (ii) early literacy, (iii) quality instructional materials, (iv) personalized learning through digital education, or (v) other innovation areas identified by the board. It is the intent of the Legislature that such grant programs shall be funded using lottery funds under section 79-3501. Grantees shall be a school district, an educational service unit, or a combination of entities that includes at least one school district or educational service unit.

(c) An application for participating in an innovation grant pursuant to this subsection shall describe:

(i) Specific measurable objectives for improving education outcomes for early childhood students, elementary students, middle school students, or high school students or for improving the transitions between any successive stages of education or between education and the workforce;

(ii) Participation in a method for annually evaluating progress toward a measurable objective, with a summative evaluation of progress submitted to the state board and electronically to the Education Committee of the Legislature on or before July 1 of each year;

(iii) The potential for the grant program to be both scalable and replicable; and

(iv) Any cost savings that could be achieved by reductions in other programs if the grant program is successful.

(d) Based on evaluations received on or before July 1 of each year for each grant program, the State Board of Education shall recommend the grant program as:

(i) Representing a best practice;

(ii) A model for a state-supported program; or

(iii) A local issue for further study.

(e) On or before December 1 of each year, the state board shall electronically submit a report to the Clerk of the Legislature on all such grant programs, including, but not limited to, the results of the evaluations for each grant program. The state board may adopt and promulgate rules and regulations to carry out this subsection, including, but not limited to, application procedures, selection procedures, and annual evaluation reporting procedures.

(3)(a) This subsection applies beginning July 1, 2024.

(b) The State Board of Education shall establish an improvement grant program in areas including, but not limited to, (i) teacher recruitment and retention, (ii) improvement for schools and school districts, (iii) improvement in student performance in the subject areas of reading and mathematics, and (iv) other improvement areas identified by the state board. Such grants shall be funded using lottery funds under section 79-3501.

(c) On or before December 1 of each calendar year, the state board shall electronically submit a report to the Clerk of the Legislature on all such grant programs, including, but not limited to, the recipients of the programs and evaluations of the effectiveness of each grant program. The state board may adopt and promulgate rules and regulations to carry out this subsection.

(4)(a) This subsection applies beginning January 1, 2024.

(b) For purposes of this subsection, learning platform means a three-dimensional, game-based learning platform for use by middle school and high school students.

(c)(i) The State Board of Education shall establish an innovation grant program to procure or purchase an annual license for learning platforms for use in schools to engage students in coursework and careers in science, technology, engineering, entrepreneurship, and mathematics. Such grants shall be funded using lottery funds pursuant to section 79-3501.

(ii) The State Board of Education shall establish standards that a

learning platform shall meet in the subject areas of chemistry and physical science, business, and mathematics. The state board shall develop a plan related to how the state board shall prioritize the grant applications.

(iii) A developer may apply to the State Department of Education on forms and in a manner prescribed by the department for a grant under this subsection for a learning platform that:

(A) Is designed to teach information related to chemistry and physical science, business, or mathematics;

(B) Aligns with the standards established by the state board relating to chemistry and physical science, business, or mathematics;

(C) Connects such standards with real-world technologies and applications;

(D) Highlights science, technology, engineering, entrepreneurship, and mathematics career pathways in Nebraska; and

(E) Meets any additional requirements set out by the State Board of Education.

(iv) Any developer that receives a grant under this subsection shall provide access to and use of its learning platform to all Nebraska school districts.

(v) Any grant awarded pursuant to this subsection shall be awarded by July 1 of each year.

(d) On or before December 1 of each calendar year, the state board shall electronically submit a report to the Clerk of the Legislature on the grant program, including, but not limited to, the recipients of the program and evaluations of the effectiveness of the grant program. The State Board of Education may adopt and promulgate rules and regulations to carry out this subsection.

(5)(a) The Department of Education Innovative Grant Fund is created. The fund shall be administered by the State Department of Education and shall consist of transfers pursuant to section 79-3501, repayments of grant funds, and interest payments received in the course of administering this section. The fund shall be used to carry out this section. Transfers may be made from the fund to the Education Future Fund at the direction of the Legislature. Any money in the Department of Education Innovative Grant Fund 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.

(b) Of the ten percent of funds transferred to the fund pursuant to section 79-3501, eight and three-fourths percent shall be used for innovation grants pursuant to subsection (4) of this section and the remaining one and one-fourth percent shall be used for innovation and improvement grants pursuant to subsections (2) and (3) of this section.

Sec. 50. Section 81-1201.21, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-1201.21 (1) There is hereby created the Job Training Cash Fund. The fund shall be under the direction of the Department of Economic Development. Money may be transferred to the fund pursuant to subdivision (1)(b)(iii) of section 48-621 and from the Cash Reserve Fund at the direction of the Legislature. The department shall establish a subaccount for all money transferred from the Cash Reserve Fund to the Job Training Cash Fund on or after July 1, 2005.

(2) The money in the Job Training Cash Fund or the subaccount established in subsection (1) of this section shall be used (a) to provide reimbursements for job training activities, including employee assessment, preemployment training, on-the-job training, training equipment costs, and other reasonable costs related to helping industry and business locate or expand in Nebraska, (b) to provide upgrade skills training of the existing labor force necessary to adapt to new technology or the introduction of new product lines, (c) as provided in section 79-2308, or (d) as provided in section 48-3405. The department shall give a preference to job training activities carried out in whole or in part within an enterprise zone designated pursuant to the Enterprise Zone Act or an opportunity zone designated pursuant to the federal Tax Cuts and Jobs Act, Public Law 115-97.

(3) The department shall establish a subaccount within the fund to provide training grants for training employees and potential employees of businesses that (a) employ twenty-five or fewer employees on the application date, (b) employ, or train for potential employment, residents of rural areas of Nebraska, or (c) are located in or employ, or train for potential employment, residents of high-poverty areas as defined in section 81-1203. The department shall calculate the amount of prior year investment income earnings accruing to the fund and allocate such amount to the subaccount for training grants under this subsection. The subaccount shall also be used as provided in the Teleworker Job Creation Act. The department shall give a preference to training grants for businesses located in whole or in part within an enterprise zone designated pursuant to the Enterprise Zone Act.

(4) On April 5, 2018, any funds that were dedicated to carrying out sections 81-1210.01 to 81-1210.03 but were not yet expended shall be transferred to the Intern Nebraska Cash Fund.

(5) Transfers may be made from the Job Training Cash Fund to the General Fund at the direction of the Legislature. Any money in the Job Training 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.

Sec. 51. Section 81-12,146, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-12,146 (1) The Site and Building Development Fund is created. The fund shall receive money pursuant to section 76-903 and may include revenue from transfers by the Legislature, grants, private contributions, repayment of loans, and all other sources. The Department of Economic Development, as part of its comprehensive business development strategy, shall administer the fund. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Site and Building Development Fund 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) It is the intent of the Legislature to transfer five million dollars from the General Fund to the Site and Building Development Fund for fiscal year 2022-23 and five million dollars from the General Fund to the Site and Building Development Fund for fiscal year 2023-24. Such money shall be placed in a subaccount of the Site and Building Development Fund and earmarked for use to fund large shovel-ready commercial and industrial sites developed under the Municipal Inland Port Authority Act.

Sec. 52. Section 81-12,147, Revised Statutes Supplement, 2023, is amended to read:

81-12,147 (1) Except as provided in subsection (2) of this section, the Department of Economic Development shall use the Site and Building Development Fund to finance loans, grants, subsidies, credit enhancements, and other financial assistance for industrial site and building development and for expenses of the department as appropriated by the Legislature for administering the fund. The following activities are eligible for assistance from the fund:

(a) Grants or zero-interest loans to villages, cities, or counties to acquire land, infuse infrastructure, or otherwise make large sites and buildings ready for industrial development;

(b) Matching funds for new construction, rehabilitation, or acquisition of land and buildings to assist villages, cities, and counties;

(c) Technical assistance, design and finance services, and consultation for villages, cities, and counties for the preparation and creation of industrial-ready sites and buildings;

(d) Loan guarantees for eligible projects;

(e) Projects making industrial-ready sites and buildings more accessible to business and industry;

(f) Infrastructure projects necessary for the development of industrial-ready sites and buildings;

(g) Projects that mitigate the economic impact of a closure or downsizing of a private-sector entity by making necessary improvements to buildings and infrastructure;

(h) Public and private sector initiatives that will improve the military value of military installations by making necessary improvements to buildings and infrastructure, including, but not limited to, a grant for the establishment of the United States Strategic Command Nuclear Command, Control, and Communications public-private-partnership facility;

(i) A grant to a city of the second class that is served by two first-class railroads, that is within fifteen miles of two state borders, and that partners with public power utilities for purposes of expanding electrical system capacities and enhancing redundancy and resilience;

(j) A grant of two million dollars to a city of the first class located in the ~~third first~~ congressional district if the property previously housed a university or college that is no longer extant and if the improvement and revitalization of the real property is for purposes of supporting the housing, employment, and program needs of youth exiting the foster care system. In addition, the real property may be used for youth exiting juvenile court supervision in an out-of-home placement;

(k) Public and private sector initiatives that will improve the value of cities of the second class that have partnered with the United States Department of Defense or its contractors on upgrades to ground-based nuclear deterrence. Such improvements include the construction of electrical, drinking water, and clean water infrastructure; and

(1) Identification, evaluation, and development of large commercial and industrial sites and building infrastructure to attract major investment and employment opportunities for advanced manufacturing, processing, trade, technology, aerospace, automotive, clean energy, life science, and other transformational industries in Nebraska by means of the department providing grants to or partnering with political subdivisions, including inland port authorities under the Municipal Inland Port Authority Act, or nonprofit economic development corporations and entering into contracts for consulting, engineering, and development studies to identify, evaluate, and develop large commercial and industrial sites in Nebraska.

(2) The Department of Economic Development shall use the subaccount of the Site and Building Development Fund described in subsection (2) of section 81-12,146 to provide financial assistance to any inland port authority created under the Municipal Inland Port Authority Act to help finance large shovel-ready commercial and industrial sites developed under such act.

Sec. 53. Section 81-12,157, Revised Statutes Cumulative Supplement, 2022, is amended to read:

81-12,157 (1) The department shall establish a phase one application program to provide grants to small businesses that qualify under the federal grant program for the purposes of planning for an application under the federal grant program. If a small business receives funding under the federal grant program, the department or a nonprofit entity designated by the department may

make grants to match up to sixty-five percent of the amount of the federal grant.

(2) Planning grants under subsection (1) of this section shall not exceed five thousand dollars per project. Federal award matching grants under this section shall not exceed (a) one hundred fifty thousand dollars for a business receiving a phase one grant under the federal grant program and (b) three hundred thousand dollars for a business receiving a phase two grant under the federal grant program. ~~No business shall receive funding for more than one project every two years.~~

(3) The department may award up to six million dollars per year for grants under this section.

Sec. 54. Section 81-12,221, Revised Statutes Supplement, 2023, is amended to read:

81-12,221 For purposes of the Shovel-Ready Capital Recovery and Investment Act:

(1) Capital project means a construction project to build, expand, or develop a new or existing facility or facilities or restoration work on a facility designated as a National Historic Landmark;

(2) Cost, in the context of a capital project, means the cost of land, engineering, architectural planning, contract services, construction, materials, and equipment needed to complete the capital project;

(3) COVID-19 means the novel coronavirus identified as SARS-CoV-2, the disease caused by the novel coronavirus SARS-CoV-2 or a virus mutating therefrom, and the health conditions or threats associated with the disease caused by the novel coronavirus SARS-CoV-2 or a virus mutating therefrom;

(4) Department means the Department of Economic Development;

(5) Qualified nonprofit organization means a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code that:

(a) Is related to arts, culture, or the humanities, including any organization formed for the purpose of developing and promoting the work of artists and the humanities in various visual and performing forms, such as film, sculpture, dance, painting, horticulture, multimedia, poetry, photography, performing arts, zoology, or botany;

(b) Operates a sports complex;

(c) Is a postsecondary educational institution in a city of the metropolitan class and partners with an organization hosting a regional or national event for purposes of infrastructure development related to furnishing and equipment for a health sciences education center, enhanced mobility by vacation of a public street, pedestrian safety, and construction of a community athletic complex; ~~or~~

(d) Is a county agricultural society with facilities located within the boundaries of a city of the primary class; or

(e) Operates a multifunction center which provides facilities to the public for at least two of the following uses:

(i) As an early childhood learning center;

(ii) As a community event center; or

(iii) As an indoor and outdoor sports training center;

(6) Sports complex means property that:

(a) Includes indoor areas, outdoor areas, or both;

(b) Is primarily used for competitive sports; and

(c) Contains multiple separate sports venues; and

(7) Sports venue includes, but is not limited to:

(a) A baseball field;

(b) A softball field;

(c) A soccer field;

(d) An outdoor stadium primarily used for competitive sports;

(e) An outdoor arena primarily used for competitive sports; and

(f) An enclosed, temperature-controlled building primarily used for competitive sports.

Sec. 55. Section 81-12,222, Revised Statutes Supplement, 2023, is amended to read:

81-12,222 (1) Beginning July 1, 2023, through ~~September~~ July 1, 2024, a qualified nonprofit organization may apply to the department for a grant under the Shovel-Ready Capital Recovery and Investment Act. The application shall include, but not be limited to, the following information:

(a) A description of the qualified nonprofit organization's capital project;

(b) The estimated cost of the capital project; and

(c) Documentation on the amount of funds for the capital project which have been received or will be received by the qualified nonprofit organization from other sources. Such amount shall be at least equal to the amount of any grant received under the act. The documentation provided under this subdivision does not need to identify the names of any donors.

(2) The department shall consider applications in the order in which they are received. If an applicant is a qualified nonprofit organization and otherwise qualifies for funding under the Shovel-Ready Capital Recovery and Investment Act, the department shall, subject to subsection (3) of this section, approve the application and notify the applicant of the approval.

(3) The department may approve applications within the limits of available funding. The amount of any grant approved under this section shall be equal to the amount of funds to be supplied by the qualified nonprofit organization from other sources, as documented under subdivision (1)(c) of this section, subject to the following limitations:

(a) For any capital project with an estimated cost of less than five hundred thousand dollars, the grant shall not exceed two hundred fifty thousand dollars;

(b) For any capital project with an estimated cost of at least five hundred thousand dollars but less than five million dollars, the grant shall not exceed one million five hundred thousand dollars;

(c) For any capital project with an estimated cost of at least five million dollars but less than twenty-five million dollars, the grant shall not exceed five million dollars;

(d) For any capital project with an estimated cost of at least twenty-five million dollars but less than fifty million dollars, the grant shall not exceed ten million dollars;

(e) For any capital project with an estimated cost of at least fifty million dollars but less than one hundred million dollars, the grant shall not exceed fifteen million dollars; and

(f) For any capital project with an estimated cost of at least one hundred million dollars, the grant shall not exceed thirty million dollars.

Sec. 56. Section 81-12,243, Revised Statutes Supplement, 2023, is amended to read:

81-12,243 (1) The Economic Recovery Contingency Fund is created. The fund shall consist of transfers by the Legislature to carry out the Economic Recovery Act. Transfers may be made from the Economic Recovery Contingency Fund to the Museum Construction and Maintenance Fund at the direction of the Legislature. 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. Investment earnings on and after July 1, 2023, shall be credited to the fund.

(2) The Department of Economic Development may review the projects listed in the coordination plan and the appendices by the Economic Recovery Special Committee of the Legislature dated January 10, 2023, and shall prioritize the use of the fund on projects listed in the coordination plan followed by the projects in the appendices.

(3) The State Treasurer shall transfer seven hundred fifty thousand dollars from the Economic Recovery Contingency Fund to the Museum Construction and Maintenance Fund on or after July 1, 2024, but before December 31, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer fifteen million dollars from the Economic Recovery Contingency Fund to the Museum Construction and Maintenance Fund on or after July 1, 2025, but before December 31, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 57. The Auditor of Public Accounts shall exercise the exclusive authority to perform, or cause to be performed, the Statewide Single Audit for the Federal Funds allocated to the State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, and all other federal funds appropriated for state programs, and shall be fully compensated for the cost of such audit work, on a pro rata basis, by each agency audited.

Sec. 58. Section 84-612, Revised Statutes Supplement, 2023, is amended to read:

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

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

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

(4) The State Treasurer shall transfer fifteen two million eight hundred forty-one thousand dollars from the Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

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

~~(5) (6) The State Treasurer shall transfer one hundred sixty-six million six hundred seventy-three thousand five hundred eighty one hundred eighty-two million six hundred twenty-three thousand eight hundred twenty-five~~ dollars from the Cash Reserve Fund to the Nebraska Capital Construction Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

~~(7) The State Treasurer shall transfer fifty-three million five hundred~~

~~thousand dollars from the Cash Reserve Fund to the Perkins County Canal Project Fund on or before June 30, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

~~(6) (8) No funds shall be transferred from the Cash Reserve Fund to fulfill the obligations created under the Nebraska Property Tax Incentive Act unless the balance in the Cash Reserve Fund after such transfer will be at least equal to five hundred million dollars.~~

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

~~(10) The State Treasurer shall transfer eight million three hundred thousand dollars from the Cash Reserve Fund to the Trail Development and Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

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

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

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

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

~~(16) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Site and Building Development Fund on July 15, 2022, or as soon thereafter as administratively possible, and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

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

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

~~(7) (20) The State Treasurer shall transfer ten million dollars from the Cash Reserve Fund to the School Safety and Security Fund as soon as administratively possible after September 2, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

~~(22) The State Treasurer shall transfer one million dollars from the Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as administratively possible after June 7, 2023, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

~~(8) (23) The State Treasurer shall transfer three million dollars from the Cash Reserve Fund to the Risk Loss Trust on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

~~(9) (24) The State Treasurer shall transfer eleven million three hundred~~

twenty thousand dollars from the Cash Reserve Fund to the Health and Human Services Cash Fund on or after July 1, 2023, but on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

~~(10) (25) The State Treasurer shall transfer five hundred seventy-four million five hundred thousand dollars from the Cash Reserve Fund to the Perkins County Canal Project Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

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

~~(11) (28) The State Treasurer shall transfer one million one hundred fifteen thousand dollars from the Cash Reserve Fund to the Public Safety Cash Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

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

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

(13) The State Treasurer shall transfer two million four hundred twenty-five thousand dollars from the Cash Reserve Fund to the Nebraska Public Safety Communication System Revolving Fund on or after July 1, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

~~(14) (32) The State Treasurer shall transfer seventy million dollars from the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

~~(15) (33) The State Treasurer shall transfer two million dollars from the Cash Reserve Fund to the Site and Building Development Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

~~(16) (34) The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Economic Development Cash Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

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

~~(17) (37) The State Treasurer shall transfer two hundred forty million dollars from the Cash Reserve Fund to the Economic Recovery Contingency Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.~~

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

~~(19) (39) The State Treasurer shall transfer four hundred forty million dollars from the General Fund to the Cash Reserve Fund on or after July 1, 2023, but before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of~~

Administrative Services.

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

(20) ~~(41)~~ The State Treasurer shall transfer four ~~one~~ million dollars from the Cash Reserve Fund to the General Fund on or after July 1, 2024, but before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

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

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

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

(24) The State Treasurer shall transfer twenty-eight million dollars from the Jobs and Economic Development Initiative Fund to the Cash Reserve Fund on or before June 30, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(25) The State Treasurer shall transfer five million dollars from the Cash Reserve Fund to the State Insurance Fund on or before July 10, 2024, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(26) The State Treasurer shall transfer three million five hundred thousand dollars from the Cash Reserve Fund to the Health and Human Services Cash Fund on or after July 1, 2024, but on or before June 30, 2025, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

(27) The State Treasurer shall transfer three million two hundred fifty thousand dollars from the Cash Reserve Fund to the State Insurance Fund as soon as possible after the effective date of this act, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 59. Section 86-324, Revised Statutes Supplement, 2023, is amended to read:

86-324 (1) The Nebraska Telecommunications Universal Service Fund is hereby created. The fund shall provide the assistance necessary to make universal access to telecommunications services available to all persons in the state consistent with the policies set forth in the Nebraska Telecommunications Universal Service Fund Act. Only eligible telecommunications companies designated by the commission shall be eligible to receive support to serve high-cost areas from the fund. A telecommunications company that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Any such support should be explicit and sufficient to achieve the purpose of the act.

(2) Notwithstanding the provisions of section 86-124, in addition to other provisions of the act, and to the extent not prohibited by federal law, the commission:

(a) Shall have authority and power to subject eligible telecommunications companies to service quality, customer service, and billing regulations. Such regulations shall apply only to the extent of any telecommunications services or offerings made by an eligible telecommunications company which are eligible for support by the fund. The commission shall be reimbursed from the fund for all costs related to drafting, implementing, and enforcing the regulations and any other services provided on behalf of customers pursuant to this subdivision;

(b) Shall have authority and power to issue orders carrying out its responsibilities and to review the compliance of any eligible telecommunications company receiving support for continued compliance with any such orders or regulations adopted pursuant to the act;

(c) May withhold all or a portion of the funds to be distributed from any telecommunications company failing to continue compliance with the commission's orders or regulations;

(d) Shall withhold support distributed from the fund from any telecommunications company using or providing any communications equipment or service deemed to pose a threat to national security identified on the Covered List developed pursuant to 47 C.F.R. 1.50002, as such regulation existed on January 1, 2023, and published by the Public Safety and Homeland Security Bureau of the Federal Communications Commission pursuant to the federal Secure

and Trusted Communications Networks Act of 2019, 47 U.S.C. 1601 et seq., as such act existed on January 1, 2023, and the rules adopted pursuant to such act by the Federal Communications Commission on November 11, 2022, in its Report and Order FCC 22-84. Any telecommunications company that removes, discontinues, or replaces any communications equipment or service identified on the Covered List described in this subdivision in compliance with federal law shall not be required to obtain any additional permits from any state agency or political subdivision in the removal, discontinuance, or replacement of such communications equipment or service as long as the state agency or political subdivision is properly notified of the necessary replacements and the replacement of any communications equipment is similar to the existing communications equipment;

(e) Shall require every telecommunications company to contribute to any universal service mechanism established by the commission pursuant to state law. The commission shall require, as reasonably necessary, an annual audit of any telecommunications company to be performed by a third-party certified public accountant to insure the billing, collection, and remittance of a surcharge for universal service. The costs of any audit required pursuant to this subdivision shall be paid by the telecommunications company being audited;

(f) Shall require an audit of information provided by a telecommunications company to be performed by a third-party certified public accountant for purposes of calculating universal service fund payments to such telecommunications company. The costs of any audit required pursuant to this subdivision shall be paid by the telecommunications company being audited; and

(g) May administratively fine pursuant to section 75-156 any person who violates the Nebraska Telecommunications Universal Service Fund Act.

(3) 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.

(4)(a) (4) Transfers may be made from earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund or the General Fund at the direction of the Legislature.

(b) The State Treasurer shall transfer one million two hundred seventy-five thousand dollars on July 1, 2023, from the earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund. The State Treasurer shall transfer one million four hundred fifty-five thousand dollars on July 1, 2024, from the earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund.

(c) On June 30, 2025, the State Treasurer shall transfer all earnings on the Nebraska Telecommunications Universal Service Fund, less any transfers made to the 211 Cash Fund in such fiscal year, to the General Fund.

Sec. 60. Original sections 2-1507, 45-930, 48-621, 48-622.01, 58-703, and 59-1608.04, Reissue Revised Statutes of Nebraska, sections 55-901, 61-405, 68-996, 71-812, 79-810, 81-1201.21, 81-12,146, and 81-12,157, Revised Statutes Cumulative Supplement, 2022, and sections 37-1804, 48-622.02, 71-5328, 71-7611, 72-819, 79-1054, 81-12,147, 81-12,221, 81-12,222, 81-12,243, 84-612, and 86-324, Revised Statutes Supplement, 2023, are repealed.

Sec. 61. Since an emergency exists, this act takes effect when passed and approved according to law.