

LEGISLATIVE BILL 15

Approved by the Governor February 14, 1995

Introduced by Executive Board: Hall, 7, Chairperson

AN ACT relating to state government; to amend sections 81-1101, 81-1102, 81-1109, and 81-2004.05, Reissue Revised Statutes of Nebraska; to eliminate provisions providing for transfers of property, personnel, and funds between agencies of state government; to eliminate provisions which required a duty to be performed by a specified date which has passed; to harmonize provisions; to repeal the original sections; and to outright repeal sections 81-701.06, 81-815.54, 81-1122, 81-1429.02, 81-15, 112.02, 81-2004.01, and 81-2004.06, Reissue Revised Statutes of Nebraska.

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

Section 1. Section 81-1101, Reissue Revised Statutes of Nebraska, is amended to read:

81-1101. The purposes of sections 11-119, 81-106, 81-1101 to 81-1118, 81-1121, ~~81-1122~~, 81-1170.01, 81-1170.02, and 84-304 are to:

(1) Provide for the development and maintenance of a modern system of budgetary, inventory, and financial accounting;

(2) Provide for development and maintenance of such modern and economical methods and systems for record keeping, accounting, expenditure planning and control as may be possible through timely adoption of modern technological developments;

(3) Provide for centralized direction of services and service agencies;

(4) Assure the development and operation of organizational and procedural innovations as may be expected to provide acceptable internal control of the handling and processing of public funds; and

(5) Focus responsibility for execution of the financial policies of this state on the chief executive and provide assistants having the necessary technical skills for the achievement of that end.

Sec. 2. Section 81-1102, Reissue Revised Statutes of Nebraska, is amended to read:

81-1102. For purposes of sections 11-119, 81-106, 81-1101 to 81-1118, 81-1121, ~~81-1122~~, 81-1170.01, 81-1170.02, and 84-304, unless the context otherwise requires:

(1) Gender with reference to the masculine or feminine gender shall be construed to apply to either or both genders;

(2) Executive budget shall mean the budget proposed by the Governor to the Legislature as the basis of appropriations for the operation of and capital outlay by state government during the period covered by such budget;

(3) Approved budget shall mean the executive or Governor's budget as modified by appropriations actions of the Legislature;

(4) Budgetary allotments shall mean the plan of expenditures, by program, subprogram, activity, or object of expenditure under the approved budget for monthly or other applicable periods of time within each fiscal year, to which a department or agency may be held during such period of time within the fiscal year;

(5) Accrual system shall mean the recording of revenue when earned and the recording of expenditures as soon as they result in liabilities, notwithstanding the fact that the receipt of the revenue or payment of the expenditure may take place, in whole or in part, in another accounting period;

(6) Double entry system shall mean a system of bookkeeping which requires for every entry made to the debit side of an account or accounts an entry for a corresponding amount or amounts to the credit side of another account or accounts resulting in a self-balancing accounting system;

(7) Disbursement shall mean payment from the state treasury;

(8) Expenditure shall mean, when an accrual system has been established, total liability incurred by contract, purchase order, or payroll commitments or as otherwise provided by law, whether or not related disbursement has been made from the state treasury, and shall mean, until an accrual system has been established, disbursements from the state treasury;

(9) Revenue shall mean, when an accrual system has been established, additions to assets which do not increase any liability or represent the recovery of an expenditure or disbursement or any part thereof or the cancellation of liabilities without a corresponding increase in other liabilities or a decrease in assets. Until an accrual system has been

established, this term shall mean additions to cash in the state treasury or for deposit in the state treasury only;

(10) Receipts shall mean cash received, unless otherwise qualified;

(11) Budgetary accounting shall mean a system of accounts designed to reflect budget operations and conditions such as estimated revenue, appropriations, and encumbrances as distinct from proprietary accounts designed to show the status of the assets, liabilities, and surplus of the state and its departments and agencies;

(12) Encumbrances shall mean charges to appropriation accounts to reflect obligations for which a part of the appropriation is reserved and which shall cease to be encumbrances when paid or when an actual liability is established in a proprietary account;

(13) Financing agreement shall mean any bond, lease-purchase obligation, installment sales contract, or similar financial arrangement, for a period greater than one year, which is entered into by the state or any agency, board, or commission thereof, not including the University of Nebraska or state colleges, in accordance with the Constitution of Nebraska and statutes of this state;

(14) Proprietary account shall mean those accounts designed to show actual financial position and operations such as actual assets, liabilities, surplus, revenue, and expenditures, as distinguished from budgetary accounts;

(15) Program shall mean a major operation of the state government directed toward the achievement of a definite legal objective and which, in most instances, could be carried on independently of other major operations of the state as defined and described in the accounting and budgeting manuals on file in the office of the Director of Administrative Services;

(16) Subprogram shall mean one or more operations of a department or agency of the state designed jointly to accomplish a major program objective as defined in the accounting and budgeting manuals on file in the office of the Director of Administrative Services;

(17) Activity shall mean one or more operations of a department or agency of the state designed jointly to accomplish the objective of a subprogram to which it is related as defined in the accounting and budgeting manual on file in the office of the Director of Administrative Services;

(18) Staffing pattern shall mean the number of positions in each class and the specific classes of positions as may be authorized for each department or agency for such department or agency programs, subprograms, and activities;

(19) Approved project shall mean any acquisition of land or buildings, any construction or major remodeling of new or newly acquired buildings or structures or of existing state-owned buildings or structures, excluding state highways or state roads or aeronautical projects, or any additions to buildings or structures of land owned by the state or its departments or agencies for which an appropriation or other act of the Legislature makes provision;

(20) Machine time shall mean the hours or fractions thereof of operation of each component of a machine data processing system together with the hours or fractions thereof of machine operator time for each such component devoted to the production of a report or tabulation or the processing of data necessary to such production and shall also include a proportional reflection of the hours or fractions thereof of supervisory time so that all costs of operation of the data processing service division may be reflected in billings to benefiting departments or agencies;

(21) Budget request shall mean the complete recitation, on forms prescribed by the budget division and in the manner prescribed by such division, of the operating and construction funds requests of a department or agency for the biennium next following the then current biennium;

(22) Department shall mean the Department of Administrative Services; and

(23) Director shall mean the Director of Administrative Services.

Sec. 3. Section 81-1109, Reissue Revised Statutes of Nebraska, is amended to read:

81-1109. The Director of Administrative Services shall be responsible to the Governor for provision of technical assistance, advice, and information concerning the financial and administrative operations of all agencies of the state, for provision of technical assistance and advice on the preparation of the Governor's budget, otherwise referred to in sections 11-119, 81-106, 81-1101 to 81-1118, 81-1121, ~~81-1122~~, 81-1170.01, 81-1170.02, and 84-304 as the executive budget, and for administration of the approved budget within the limits of appropriations provided except as otherwise provided by law. He or she shall be responsible to the Governor for the provision of current reports of the financial condition of the state and each

of its departments and agencies and for the provision of timely recommendations for dealing with financial, management, and organizational problems affecting the administration of the business of the state, and its departments and agencies.

Sec. 4. Section 81-2004.05, Reissue Revised Statutes of Nebraska, is amended to read:

81-2004.05. There is hereby created the Public Safety Cash Fund. All forfeitures and proceeds received by the Nebraska State Patrol under the federal Equitable Sharing Provisions or any other federal agreement from any agency of the federal government on or after July 10, 1990, shall be deposited in the fund. This section and ~~section 81-2004.06~~ shall not apply to funds otherwise subject to sections 28-431 and 28-1439.02. The fund shall be used only in accordance with the applicable requirements of the federal government. The fund shall be administered by the Superintendent of Law Enforcement and Public Safety. 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. 5. Original sections 81-1101, 81-1102, 81-1109, and 81-2004.05, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 6. The following sections are outright repealed: Sections 81-701.06, 81-815.54, 81-1122, 81-1429.02, 81-15,112.02, 81-2004.01, and 81-2004.06, Reissue Revised Statutes of Nebraska.