

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 23**

Introduced by Speaker Scheer, 19; at the request of the Governor.

Read first time January 05, 2017

Committee: Appropriations

1 A BILL FOR AN ACT relating to appropriations; to amend sections 12-1301,  
2 19-102, 19-103, 24-231, 29-3921, 60-3,218, 68-940.01, 71-7450,  
3 81-179, 81-638, 81-885.15, 81-1558, 85-1414.01, and Reissue Revised  
4 Statutes of Nebraska, sections 2-1222, 60-1409, 66-204, and  
5 85-1414.01, Revised Statutes Cumulative Supplement, 2016, and Laws  
6 2015, LB661, section 4; to provide for transfers of funds; to  
7 harmonize provisions; to terminate funds; to repeal the original  
8 sections; and to declare an emergency.  
9 Be it enacted by the people of the State of Nebraska,

1           Section 1. The State Treasurer shall transfer one million two  
2 hundred thousand dollars from the Health and Human Services Cash Fund to  
3 the General Fund on or before June 30, 2017, at the direction of the  
4 budget administrator of the budget division of the Department of  
5 Administrative Services. It is the intent of the Legislature that the  
6 transfer to the General Fund in this section be from funds credited to  
7 the False Medicaid Claims Act Cash Fund, a subfund of the Health and  
8 Human Services Cash Fund.

9           Sec. 2. Section 2-1222, Revised Statutes Cumulative Supplement,  
10 2016, is amended to read:

11           2-1222 There is hereby created the Racing Commission's Cash Fund  
12 from which shall be appropriated such amounts as are available therefrom  
13 and as shall be considered incident to the administration of the State  
14 Racing Commission's office. The fund shall contain all license fees and  
15 gross receipt taxes collected by the commission as provided under  
16 sections 2-1203, 2-1203.01, and 2-1208 but shall not include taxes  
17 collected pursuant to section 2-1208.01, and such fees and taxes  
18 collected shall be remitted to the State Treasurer for credit to the  
19 Racing Commission's Cash Fund. Any money in the fund available for  
20 investment shall be invested by the state investment officer pursuant to  
21 the Nebraska Capital Expansion Act and the Nebraska State Funds  
22 Investment Act. The State Treasurer shall transfer one hundred fifty  
23 thousand dollars from the Racing Commission's Cash Fund to the General  
24 Fund on or before June 30, 2017, as directed by the budget administrator  
25 of the budget division of the Department of Administrative Services.

26           Sec. 3. Section 12-1301, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28           12-1301 (1) The Director of Veterans' Affairs may establish and  
29 operate a state veteran cemetery system consisting of a facility in Box  
30 Butte County, a facility in Sarpy County, and the Nebraska Veterans'  
31 Memorial Cemetery in Hall County. The director may seek and expend

1 private, state, and federal funds for the establishment, construction,  
2 maintenance, administration, and operation of the cemetery system as  
3 provided in this section. Any gift, bequest, or devise of real property  
4 and any acquisition of real property with the proceeds of a donation,  
5 gift, bequest, devise, or grant from an individual, an organization, a  
6 corporation, a foundation, or a similar entity or from a nonfederal  
7 governmental agency for the cemetery system shall be subject to the  
8 approval requirements of section 81-1108.33 notwithstanding the value of  
9 the real property. All funds received for the construction of the  
10 cemetery system shall be remitted to the State Treasurer for credit to  
11 the Veteran Cemetery Construction Fund. Any funds remaining in the  
12 Veteran Cemetery Construction Fund following the completion of  
13 construction of the three facilities comprising the state veteran  
14 cemetery system shall upon such completion be transferred to the Nebraska  
15 Veteran Cemetery System Endowment Fund, and the Veteran Cemetery  
16 Construction Fund shall thereafter terminate.

17 (2)(a) A trust fund to be known as the Nebraska Veteran Cemetery  
18 System Endowment Fund is hereby created. The fund shall consist of:

19 (i) Gifts, bequests, grants, or contributions from private or public  
20 sources designated for the maintenance, administration, or operation of  
21 the state veteran cemetery system;

22 (ii) Any funds transferred from the Veteran Cemetery Construction  
23 Fund following the completion of construction of the three facilities  
24 comprising the state veteran cemetery system; and

25 (iii) Following the termination of the Veteran Cemetery Construction  
26 Fund, any funds received by the state from any source for the state  
27 veteran cemetery system.

28 (b) No revenue from the General Fund shall be remitted to the  
29 Nebraska Veteran Cemetery System Endowment Fund. The Legislature shall  
30 not appropriate or transfer money from the Nebraska Veteran Cemetery  
31 System Endowment Fund for any purpose other than as provided in this

1 section. Any money in the Nebraska Veteran Cemetery System Endowment Fund  
2 available for investment shall be invested by the state investment  
3 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
4 State Funds Investment Act. No portion of the principal of the Nebraska  
5 Veteran Cemetery System Endowment Fund shall be expended for any purpose  
6 except investment pursuant to this subdivision. All investment earnings  
7 from the Nebraska Veteran Cemetery System Endowment Fund shall be  
8 credited on a quarterly basis to the Nebraska Veteran Cemetery System  
9 Operation Fund.

10 (3) There is hereby created the Nebraska Veteran Cemetery System  
11 Operation Fund. Money in the fund shall be used for the operation,  
12 administration, and maintenance of the state veteran cemetery system. Any  
13 money in the fund available for investment shall be invested by the state  
14 investment officer pursuant to the Nebraska Capital Expansion Act and the  
15 Nebraska State Funds Investment Act.

16 (4) The director may make formal application to the federal  
17 government regarding federal financial assistance for the construction of  
18 any of the facilities comprising the state veteran cemetery system which  
19 is located in a county with a population of less than one hundred  
20 thousand persons when he or she determines that the requirements for such  
21 assistance have been met.

22 (5) The director may make formal application to the federal  
23 government regarding financial assistance for the construction of any  
24 facility comprising a portion of the state veteran cemetery system  
25 located in a county with a population of more than one hundred thousand  
26 persons when sufficient funds have been remitted to the Nebraska Veteran  
27 Cemetery System Endowment Fund such that (a) the projected annual  
28 earnings from such fund available for transfer to the Nebraska Veteran  
29 Cemetery System Operation Fund plus (b) the projected annual value of  
30 formal agreements that have been entered into between the state and any  
31 political subdivisions or private entities to subsidize or undertake the

1 operation, administration, or maintenance of any of the facilities within  
2 the state veteran cemetery system, has a value that is sufficient to fund  
3 the operation, administration, and maintenance of any cemetery created  
4 pursuant to this subsection.

5 (6) The director may expend such funds as may be available for any  
6 of the purposes authorized in this section.

7 (7) The director, with the approval of the Governor, may enter into  
8 agreements for cemetery construction, administration, operation, or  
9 maintenance with qualified persons, political subdivisions, or business  
10 entities. The director shall provide lots in the cemetery system for the  
11 interment of deceased veterans as defined by the National Cemetery  
12 Administration of the United States Department of Veterans Affairs. The  
13 director shall provide lots for the interment of those veterans' spouses,  
14 minor children, and unmarried adult children who were physically or  
15 mentally disabled and incapable of self-support. Section 12-501 does not  
16 apply to the state veteran cemetery system.

17 (8) The Veteran Cemetery Construction Fund is created. Any money in  
18 the fund available for investment shall be invested by the state  
19 investment officer pursuant to the Nebraska Capital Expansion Act and the  
20 Nebraska State Funds Investment Act. The balance in the Veteran Cemetery  
21 Construction Fund shall be transferred to the General Fund on or before  
22 June 30, 2017, as directed by the budget administrator of the budget  
23 division of the Department of Administrative Services.

24 (9) The director may adopt and promulgate rules and regulations to  
25 carry out this section. The rules and regulations shall include  
26 requirements for proof of residency, cost of burial if any, and standards  
27 for cemeteries, including decorations and headstones.

28 Sec. 4. Section 19-102, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 19-102 There is hereby created the City of the Primary Class  
31 Development Fund. Amounts credited to the fund pursuant to section

1 77-2602 shall, upon appropriation by the Legislature, be first expended  
2 to support the design and development of the Antelope Valley project and  
3 financing costs related thereto for the Antelope Valley Study as outlined  
4 in the Environmental Impact Statement and Comprehensive Plan Amendment  
5 94-60 to the 1994 Lincoln/Lancaster County Comprehensive Plan. Any money  
6 in the fund available for investment shall be invested by the state  
7 investment officer pursuant to the Nebraska Capital Expansion Act and the  
8 Nebraska State Funds Investment Act.

9 No distribution from the fund shall be made unless the city of the  
10 primary class provides matching funds equal to the ratio of one dollar  
11 for each three dollars of the state distribution. Funds derived from any  
12 state source may not be utilized as matching funds for purposes of this  
13 section.

14 The State Treasurer shall transfer the unobligated balance in the  
15 City of the Primary Class Development Fund to the General Fund on or  
16 before June 30, 2017, on such date as directed by the budget  
17 administrator of the budget division of the Department of Administrative  
18 Services. On July 1, 2017, the City of the Primary Class Development Fund  
19 shall terminate.

20 Sec. 5. Section 19-103, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 19-103 There is hereby created the City of the Metropolitan Class  
23 Development Fund. Amounts credited to the fund pursuant to section  
24 77-2602 shall, upon appropriation by the Legislature, be first expended  
25 to support the design and development of the redevelopment projects  
26 within the riverfront redevelopment plan designated for the area along  
27 the Missouri River generally north of Interstate 480 to Interstate 680 by  
28 the city of Omaha, except that each fiscal year there shall be no  
29 distribution from the fund until the finance director of the city  
30 certifies that other funds have been encumbered for that calendar year by  
31 the city to pay the cost of the combined sewer separation program project

1 east of Seventy-second Street in the city of Omaha. Such certification  
2 shall be required only until such sewer separation project is completed  
3 or until no cigarette tax money is available to the fund. The amount  
4 certified shall be at least seven million dollars each calendar year  
5 until 2007 and at least four million dollars each calendar year  
6 thereafter. The sewer separation project has such a significant impact on  
7 the health and welfare of such a large percentage of the population and  
8 on public health in general that the project is a matter of statewide  
9 concern. Any money in the fund available for investment shall be invested  
10 by the state investment officer pursuant to the Nebraska Capital  
11 Expansion Act and the Nebraska State Funds Investment Act.

12 No distribution from the fund shall be made unless the city of the  
13 metropolitan class provides matching funds equal to the ratio of one  
14 dollar for each three dollars of the state distribution. Funds derived  
15 from any state source may not be utilized as matching funds for purposes  
16 of this section.

17 The State Treasurer shall transfer the unobligated balance in the  
18 City of the Metropolitan Class Development Fund to the General Fund on or  
19 before June 30, 2017, on such date as directed by the budget  
20 administrator of the budget division of the Department of Administrative  
21 Services. On July 1, 2017, the City of the Metropolitan Class Development  
22 Fund shall terminate.

23 Sec. 6. Section 24-231, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 24-231 The Supreme Court Attorney Services Cash Fund is created. The  
26 fund shall be under the control of the Supreme Court and administered by  
27 the State Court Administrator. The fund shall consist of mandatory  
28 assessments and fees, grants, donations, and gifts. The fund shall be  
29 used for expenses related to regulation of the practice of law in  
30 Nebraska. The State Treasurer shall transfer two hundred thousand dollars  
31 from the Supreme Court Attorney Services Cash Fund to the General Fund on

1 or before June 30, 2017, as directed by the budget administrator of the  
2 budget division of the Department of Administrative Services. Any money  
3 in the fund available for investment shall be invested by the state  
4 investment officer pursuant to the Nebraska Capital Expansion Act and the  
5 Nebraska State Funds Investment Act. Interest earned shall be credited  
6 back to the fund.

7       Sec. 7. Section 29-3921, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9       29-3921 (1) The Commission on Public Advocacy Operations Cash Fund  
10 is created. The fund shall be used for the operations of the commission,  
11 except that transfers may be made from the fund to the General Fund at  
12 the direction of the Legislature ~~through June 30, 2011~~. The Commission on  
13 Public Advocacy Operations Cash Fund shall consist of money remitted  
14 pursuant to section 33-156. It is the intent of the Legislature that the  
15 commission shall be funded solely from the fund. Any money in the fund  
16 available for investment shall be invested by the state investment  
17 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
18 State Funds Investment Act.

19       (2) On July 1, 2011, or as soon thereafter as administratively  
20 possible, the State Treasurer shall transfer one hundred thousand dollars  
21 from the Commission on Public Advocacy Operations Cash Fund to the  
22 Supreme Court Education Fund. The State Court Administrator shall use  
23 these funds to assist the juvenile justice system in providing prefiling  
24 and diversion programming designed to reduce excessive absenteeism and  
25 unnecessary involvement with the juvenile justice system.

26       (3) The State Treasurer shall transfer the following amounts from  
27 the Commission on Public Advocacy Operations Cash Fund to the Court  
28 Appointed Special Advocate Fund:

29       (a) On July 1, 2011, or as soon thereafter as administratively  
30 possible, one hundred thousand dollars; and

31       (b) On July 1, 2012, or as soon thereafter as administratively



1 possible, two hundred thousand dollars.

2 (4) On July 1, 2012, or as soon thereafter as administratively  
3 possible, the State Treasurer shall transfer sixty thousand dollars from  
4 the Commission on Public Advocacy Operations Cash Fund to the Nebraska  
5 State Patrol Cash Fund.

6 The Nebraska State Patrol shall use such funds to contract with the  
7 University of Nebraska to study sex offender recidivism data before and  
8 after the passage of Laws 2009, LB285, which changed the Nebraska sex  
9 offender classification system from an evaluation of risk assessment  
10 system to an offense-based assessment system in the attempt by the state  
11 to comply with federal requirements under the Adam Walsh Child Protection  
12 and Safety Act of 2006.

13 (5) The State Treasurer shall transfer two hundred fifty thousand  
14 dollars from the Commission on Public Advocacy Operations Cash Fund to  
15 the General Fund on or before June 30, 2017, as directed by the budget  
16 administrator of the budget division of the Department of Administrative  
17 Services.

18 Sec. 8. Section 60-3,218, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 60-3,218 (1) There is hereby created the Nebraska Snowmobile Trail  
21 Cash Fund into which shall be deposited the portion of the fees collected  
22 from snowmobile registration as provided in section 60-3,217.

23 (2) The Game and Parks Commission shall use the money in the  
24 Nebraska Snowmobile Trail Cash Fund for the operation, maintenance,  
25 enforcement, planning, establishment, and marking of snowmobile trails  
26 throughout the state and for the acquisition by purchase or lease of real  
27 property to carry out the provisions of this section.

28 (3) The commission shall establish rules and regulations pertaining  
29 to the use and maintenance of snowmobile trails.

30 (4) Transfers may be made from the Nebraska Snowmobile Trail Cash  
31 Fund to the General Fund at the direction of the Legislature ~~through June~~

1 ~~30, 2011~~. Any money in the Nebraska Snowmobile Trail Cash Fund available  
2 for investment shall be invested by the state investment officer pursuant  
3 to the Nebraska Capital Expansion Act and the Nebraska State Funds  
4 Investment Act.

5 (5) The State Treasurer shall transfer the unobligated balance in  
6 the Nebraska Snowmobile Trail Cash Fund to the General Fund on or before  
7 June 30, 2017, on such date as directed by the budget administrator of  
8 the budget division of the Department of Administrative Services.

9 Sec. 9. Section 60-1409, Revised Statutes Cumulative Supplement,  
10 2016, is amended to read:

11 60-1409 The Nebraska Motor Vehicle Industry Licensing Fund is  
12 created. All fees collected under the Motor Vehicle Industry Regulation  
13 Act shall be remitted by the board, as collected, to the State Treasurer  
14 for credit to the fund. Such fund shall be appropriated by the  
15 Legislature for the operations of the Nebraska Motor Vehicle Industry  
16 Licensing Board and shall be paid out from time to time by warrants of  
17 the Director of Administrative Services on the State Treasurer for  
18 authorized expenditures upon duly itemized vouchers executed as provided  
19 by law and approved by the chairperson of the board or the executive  
20 secretary, except that transfers from the fund to the General Fund may be  
21 made at the direction of the Legislature ~~through June 30, 2011~~. The  
22 expenses of conducting the office must always be kept within the income  
23 collected and reported to the State Treasurer by such board. Such office  
24 and expense thereof shall not be supported or paid from the General Fund,  
25 and all money deposited in the Nebraska Motor Vehicle Industry Licensing  
26 Fund shall be expended only for such office and expense thereof and,  
27 unless determined by the board, it shall not be required to expend any  
28 funds to any person or any other governmental agency.

29 Any money in the Nebraska Motor Vehicle Industry Licensing Fund  
30 available for investment shall be invested by the state investment  
31 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska

1 State Funds Investment Act. The fund shall be audited by the Auditor of  
2 Public Accounts at such time as he or she determines necessary.

3 Sec. 10. Section 66-204, Revised Statutes Cumulative Supplement,  
4 2016, is amended to read:

5 66-204 (1) The Clean-burning Motor Fuel Development Fund is created.  
6 The fund shall consist of grants, private contributions, and all other  
7 sources.

8 (2) The fund shall be used by the State Energy Office to provide  
9 rebates under the Nebraska Clean-burning Motor Fuel Development Act up to  
10 the amount transferred under subsection (3) of this section. No more than  
11 thirty-five percent of the money in the fund annually shall be used as  
12 rebates for flex-fuel dispensers. The State Energy Office may use the  
13 fund for necessary costs in the administration of the act up to an amount  
14 not exceeding ten percent of the fund annually.

15 (3) Within five days after August 30, 2015, the State Treasurer  
16 shall transfer five hundred thousand dollars from the General Fund to the  
17 Clean-burning Motor Fuel Development Fund to carry out the Nebraska  
18 Clean-burning Motor Fuel Development Act.

19 (4) Any money in the fund available for investment shall be invested  
20 by the state investment officer pursuant to the Nebraska Capital  
21 Expansion Act and the Nebraska State Funds Investment Act.

22 (5) The State Treasurer shall transfer two hundred thousand dollars  
23 from the Clean-burning Motor Fuel Development Fund to the General Fund on  
24 or before June 30, 2017, on such date as directed by the budget  
25 administrator of the budget division of the Department of Administrative  
26 Services.

27 Sec. 11. Section 68-940.01, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 68-940.01 The State Medicaid Fraud Control Unit Cash Fund is  
30 created. The fund shall be maintained by the Department of Justice and  
31 administered by the Attorney General. The fund shall consist of any

1 recovery for the state's costs and attorney's fees received pursuant to  
2 subdivision (2)(b) of section 68-940 and sections 68-936 and 68-939,  
3 except criminal penalties, whether such recovery is by way of verdict,  
4 judgment, compromise, or settlement in or out of court, or other final  
5 disposition of any case or controversy under such subdivision or  
6 sections. Money in the fund shall be used to pay the salaries and related  
7 expenses of the Department of Justice for the state medicaid fraud  
8 control unit.

9 The State Treasurer shall transfer five hundred thousand dollars  
10 from the State Medicaid Fraud Control Unit Cash Fund to the General Fund  
11 on or before June 30, 2017, as directed by the budget administrator of  
12 the budget division of the Department of Administrative Services.

13 Any money in the fund available for investment shall be invested by  
14 the state investment officer pursuant to the Nebraska Capital Expansion  
15 Act and the Nebraska State Funds Investment Act.

16 Sec. 12. Section 71-7450, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

18 71-7450 (1) Licensure activities under the Wholesale Drug  
19 Distributor Licensing Act shall be funded by license fees. An applicant  
20 for an initial or renewal license under the act shall pay a license fee  
21 as provided in this section.

22 (2) License fees shall include (a) a base fee of fifty dollars and  
23 (b) an additional fee of not more than five hundred dollars based on  
24 variable costs to the department of inspections and of receiving and  
25 investigating complaints, other similar direct and indirect costs, and  
26 other relevant factors as determined by the department.

27 (3) If the licensure application is denied, the license fee shall be  
28 returned to the applicant, except that the department may retain up to  
29 twenty-five dollars as an administrative fee and may retain the entire  
30 license fee if an inspection has been completed prior to such denial.

31 (4) The department shall also collect a fee for reinstatement of a

1 license that has lapsed or has been suspended or revoked. The department  
2 shall collect a fee of ten dollars for a duplicate original license.

3 (5) The department shall remit all license fees collected under this  
4 section to the State Treasurer for credit to the Health and Human  
5 Services Cash Fund. License fees collected under this section shall only  
6 be used for activities related to the licensure of wholesale drug  
7 distributors, except for the transfer of funds provided for under  
8 subsection (6) of this section.

9 (6) The State Treasurer shall transfer three million seven hundred  
10 thousand dollars from the Health and Human Services Cash Fund to the  
11 General Fund on or before June 30, 2017, as directed by the budget  
12 administrator of the budget division of the Department of Administrative  
13 Services. It is the intent of the Legislature that the transfer to the  
14 General Fund in this subsection be from funds credited to the Wholesale  
15 Drug Distributor Licensing subfund of the Health and Human Services Cash  
16 Fund.

17 Sec. 13. Section 81-179, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 81-179 (1) There is hereby created under the control of the  
20 Governor, for allocation to building renewal projects of the various  
21 agencies, a fund to be known as the Building Renewal Allocation Fund. The  
22 fund shall contain the revenue from the special privilege tax as provided  
23 in section 77-2602 and such other money as is appropriated by the  
24 Legislature. Such appropriation is declared to consist of building  
25 renewal funds which shall be kept separate and distinct from the program  
26 continuation funds and project construction funds. Transfers may be made  
27 from the fund to the General Fund at the direction of the Legislature.

28 (2) Separate subfunds, subprograms, projects, or accounts shall be  
29 established to separately account for any expenditures on state buildings  
30 or facilities to comply with the federal Americans with Disabilities Act  
31 of 1990. A minimal amount of the funds contained in the subfunds,

1 subprograms, projects, or accounts may be used for planning and  
2 evaluation of buildings and facilities.

3 (3) The budget division of the Department of Administrative Services  
4 may administratively transfer funds to appropriate accounting entities to  
5 correctly account for the operating expenditures. A separate fund, cash  
6 fund, project, or other account may be administratively established for  
7 such purpose.

8 (4) Any money in the fund available for investment shall be invested  
9 by the state investment officer pursuant to the Nebraska Capital  
10 Expansion Act and the Nebraska State Funds Investment Act.

11 Sec. 14. Section 81-638, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 81-638 (1) Subject to subsection (4) of this section, the The  
14 Legislature shall appropriate for each year from the Health and Human  
15 Services Cash Fund to the department an amount derived from one cent of  
16 the cigarette tax imposed by section 77-2602, less any amount  
17 appropriated from the fund specifically to the University of Nebraska  
18 Eppley Institute for Research in Cancer and Allied Diseases. The  
19 department shall, after deducting expenses incurred in the administration  
20 of such funds, distribute such funds exclusively for grants and contracts  
21 for research of cancer and smoking diseases, for funding the cancer  
22 registry prescribed in sections 81-642 to 81-650, and for associated  
23 expenses due to the establishment and maintenance of such cancer  
24 registry. Not more than two hundred thousand dollars shall be  
25 appropriated for funding the cancer registry and associated expenses. The  
26 University of Nebraska may receive such grants and contracts, and other  
27 postsecondary institutions having colleges of medicine located in the  
28 State of Nebraska may receive such contracts.

29 (2) Subject to subsection (4) of this section, the The Legislature  
30 shall appropriate for each year from the Health and Human Services Cash  
31 Fund to the department for cancer research an amount derived from two

1 cents of the cigarette tax imposed by section 77-2602 to be used  
2 exclusively for grants and contracts for research on cancer and smoking  
3 diseases. No amount shall be appropriated or used pursuant to this  
4 subsection for the operation and associated expenses of the cancer  
5 registry. Not more than one-half of the funds appropriated pursuant to  
6 this subsection shall be distributed to the University of Nebraska  
7 Medical Center for research in cancer and allied diseases and the  
8 University of Nebraska Eppley Institute for Research in Cancer and Allied  
9 Diseases. The remaining funds available pursuant to this subsection shall  
10 be distributed for contracts with other postsecondary educational  
11 institutions having colleges of medicine located in Nebraska which have  
12 cancer research programs for the purpose of conducting research in cancer  
13 and allied diseases.

14 (3) Any contract between the department and another postsecondary  
15 educational institution for cancer research under subsection (2) of this  
16 section shall provide that:

17 (a) Any money appropriated for such contract shall only be used for  
18 cancer research and shall not be used to support any other program in the  
19 institution;

20 (b) Full and detailed reporting of the expenditure of all funds  
21 under the contract is required. The report shall include, but not be  
22 limited to, separate accounting for personal services, equipment  
23 purchases or leases, and supplies. Such reports shall be made available  
24 electronically to the Legislature; and

25 (c) No money appropriated for such contract shall be spent for  
26 travel, building construction, or any other purpose not directly related  
27 to the research that is the subject of the contract.

28 (4) The State Treasurer shall transfer seven million dollars from  
29 the Health and Human Services Cash Fund to the General Fund on or before  
30 June 30, 2017, as directed by the budget administrator of the budget  
31 division of the Department of Administrative Services. It is the intent

1 of the Legislature that the transfer to the General Fund in this  
2 subsection be from funds credited to the Cancer Research subfund of the  
3 Health and Human Services Cash Fund which were in excess of  
4 appropriations established in subsections (1) and (2).

5       Sec. 15. Section 81-885.15, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7       81-885.15 All fees collected under the Nebraska Real Estate License  
8 Act shall be deposited in the state treasury in a fund to be known as the  
9 State Real Estate Commission's Fund. The commission may use such part of  
10 the money in this fund as is necessary to be used by it in the  
11 administration and enforcement of the act. Transfers may be made from the  
12 fund to the General Fund at the direction of the Legislature ~~through June~~  
13 ~~30, 2011~~. The State Real Estate Commission's Fund shall be paid out only  
14 upon proper vouchers and upon warrants issued by the Director of  
15 Administrative Services and countersigned by the State Treasurer, as  
16 provided by law. The expenses of conducting the office must always be  
17 kept within the income collected and deposited with the State Treasurer  
18 by such commission and such office, and the expense thereof shall not be  
19 supported or paid from any other state fund. Any money in the State Real  
20 Estate Commission's Fund available for investment shall be invested by  
21 the state investment officer pursuant to the Nebraska Capital Expansion  
22 Act and the Nebraska State Funds Investment Act.

23       Sec. 16. Section 81-1558, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25       81-1558 There is hereby created within the state treasury a fund to  
26 be known as the Nebraska Litter Reduction and Recycling Fund. The  
27 proceeds of the fee imposed by sections 81-1559 to 81-1560.02, money  
28 received by the department as gifts, donations, or contributions toward  
29 the goals stated in section 81-1535, and money received by the department  
30 for nonprofit activities concerning litter reduction and recycling,  
31 including, but not limited to, honoraria, literature furnished by the



1 department, and funds realized as reimbursement for expenses in  
2 conducting educational forums, shall be remitted to the State Treasurer  
3 for credit to such fund to be used for the administration and enforcement  
4 of the Nebraska Litter Reduction and Recycling Act. Transfers may be made  
5 from the fund to the General Fund at the direction of the Legislature.  
6 Any money in the fund available for investment shall be invested by the  
7 state investment officer pursuant to the Nebraska Capital Expansion Act  
8 and the Nebraska State Funds Investment Act.

9 Sec. 17. Section 85-1414.01, Revised Statutes Cumulative Supplement,  
10 2016, is amended to read:

11 85-1414.01 (1) The Legislature finds that:

12 (a) The availability and accessibility of quality, affordable oral  
13 health care for all residents of the State of Nebraska is a matter of  
14 public concern and represents a compelling need affecting the general  
15 welfare of all residents;

16 (b) The development and sustainability of a skilled workforce in the  
17 practice of dentistry is a public health priority for the State of  
18 Nebraska; and

19 (c) According to research sponsored by the Office of Oral Health and  
20 Dentistry of the Department of Health and Human Services, the Nebraska  
21 Rural Health Advisory Commission, and the Health Professions Tracking  
22 Service of the College of Public Health of the University of Nebraska  
23 Medical Center:

24 (i) A majority of the ninety-three counties of the State of Nebraska  
25 are general dentistry shortage areas as designated by the Nebraska Rural  
26 Health Advisory Commission and more than twenty percent of the ninety-  
27 three counties have no dentist;

28 (ii) Eighty-two counties are shortage areas in pediatric dentistry  
29 as designated by the Nebraska Rural Health Advisory Commission;

30 (iii) The uneven distribution of dentists in the State of Nebraska  
31 is a public health concern and twenty-four percent of the dentists in

1 Nebraska are estimated to be planning to retire by 2017;

2 (iv) Sixty percent of the children in the State of Nebraska  
3 experience dental disease by the time they are in the third grade; and

4 (v) It is estimated that more than twenty-five thousand children  
5 attending public schools in Omaha, Nebraska, do not have a means of  
6 continuing dental care.

7 (2) It is the intent of the Legislature to provide for the  
8 development of a skilled and diverse workforce in the practice of  
9 dentistry and oral health care in order to provide for the oral health of  
10 all residents of Nebraska, to assist in dispersing the workforce to  
11 address the disparities of the at-risk populations in the state, and to  
12 focus efforts in areas and demographic groups in which access to a  
13 skilled workforce in the practice of dentistry and oral health care is  
14 most needed. In order to accomplish these goals, the Legislature  
15 recognizes that it is necessary to contract with professional dental  
16 education institutions committed to addressing the critical oral health  
17 care needs of the residents of Nebraska.

18 (3) The Oral Health Training and Services Fund is created. The  
19 Coordinating Commission for Postsecondary Education shall administer the  
20 fund to contract for reduced-fee and charitable oral health services,  
21 oral health workforce development, and oral health services using  
22 telehealth as defined in section 71-8503 for the residents of Nebraska.  
23 Any money in the fund available for investment shall be invested by the  
24 state investment officer pursuant to the Nebraska Capital Expansion Act  
25 and the Nebraska State Funds Investment Act.

26 (4) To be eligible to enter into a contract under this section, an  
27 applicant shall be a corporation exempt for federal tax purposes under  
28 section 501(c)(3) of the Internal Revenue Code and shall submit a plan to  
29 the commission as prescribed in subsection (5) of this section to provide  
30 oral health training, including assistance for the graduation of dental  
31 students at a Nebraska dental college, to provide discounted or

1 charitable oral health services focusing on lower-income and at-risk  
2 populations within the state, and to target the unmet oral health care  
3 needs of residents of Nebraska. In addition, the applicant shall submit  
4 at least five letters of intent with school districts or federally  
5 qualified health centers as defined in section 1905(1)(2)(B) of the  
6 federal Social Security Act, 42 U.S.C. 1396d(1)(2)(B), as such act and  
7 section existed on January 1, 2010, in at least five different counties  
8 throughout the state to provide discounted or charitable oral health  
9 services for a minimum of ten years. An application to enter into a  
10 contract under this section shall be made no later than January 1, 2017.

11 (5) The plan shall include (a) a proposal to provide oral health  
12 training at a reduced fee to students in dental education programs who  
13 agree to practice dentistry for at least five years after graduation in a  
14 dental health profession shortage area designated by the Nebraska Rural  
15 Health Advisory Commission pursuant to section 71-5665, (b) a proposal to  
16 provide discounted or charitable oral health services for a minimum of  
17 ten years to residents of Nebraska, and (c) a proposal to provide oral  
18 health services to residents of Nebraska using telehealth as defined in  
19 section 71-8503.

20 (6) Any party entering into a contract under this section shall  
21 agree that any funds disbursed pursuant to the contract shall only be  
22 used for services and equipment related to the proposals in the plan and  
23 shall not be used for any other program operated by the contracting  
24 party. If any of the funds disbursed pursuant to the contract are used  
25 for equipment, such funds shall only be used for patient-centered oral  
26 health care equipment, including, but not limited to, dental chairs for  
27 patients, lighting for examination and procedure rooms, and other  
28 equipment used for oral health services for patients and for training  
29 students in dental education programs, and shall not be used for travel,  
30 construction, or any other purpose not directly related to the proposals  
31 in the plan.

1           (7) The contract shall require matching funds from other sources in  
2 a four-to-one ratio with the funds to be disbursed under the contract.  
3 The party entering into the contract shall specify the source and amount  
4 of all matching funds. No applicant shall receive an award amount under a  
5 contract under this section of more than eight million dollars. If more  
6 than one applicant meets the requirements of this section to enter into a  
7 contract and provides evidence that private or other funds have been  
8 received by the applicant as matching funds for such a contract in an  
9 amount greater than or equal to sixteen million dollars, each of such  
10 applicants shall receive an award amount under a contract equal to eight  
11 million dollars divided by the number of such applicants. If one of such  
12 applicants qualifies for a contract award amount of less than four  
13 million dollars, any other such applicant may receive a contract award  
14 amount up to eight million dollars minus the amount awarded to the  
15 applicant qualifying for less than four million dollars. The contract  
16 amount shall be awarded first to the applicant qualifying for the lowest  
17 contract award amount. The contract shall require full and detailed  
18 reporting of the expenditure of funds disbursed pursuant to the contract.  
19 Any party entering into a contract under this section shall report  
20 electronically to the Legislature within one hundred twenty days after  
21 the expenditure of the funds disbursed pursuant to the contract detailing  
22 the nature of the expenditures made as a result of the contract. In  
23 addition, any party entering into a contract under this section shall  
24 report electronically to the Legislature on an annual basis the  
25 charitable oral health services provided in school districts and  
26 federally qualified health centers and the number of recipients and the  
27 placements of students receiving oral health training at a reduced fee in  
28 dental education programs.

29           (8) Any amount in the Oral Health Training and Services Fund not  
30 awarded by contract prior to February 15, 2017, shall be transferred to  
31 the Cash Reserve Fund on or before June 30, 2017, as directed by the

1 budget administrator of the budget division of the Department of  
2 Administrative Services.

3       Sec. 18. Laws 2015, LB661, section 4, is amended to read:

4       Sec. 4. The State Treasurer shall transfer ~~\$11,000,000~~ \$10,560,000  
5 from the General Fund to the Water Sustainability Fund on or before June  
6 30, 2017, on such dates and in such amounts as directed by the budget  
7 administrator of the budget division of the Department of Administrative  
8 Services.

9       Sec. 19. Original sections 12-1301, 19-102, 19-103, 24-231,  
10 29-3921, 60-3,218, 68-940.01, 71-7450, 81-179, 81-638, 81-885.15, and  
11 81-1558, Reissue Revised Statutes of Nebraska, and sections 2-1222,  
12 60-1409, 66-204, and 85-1414.01, Revised Statutes Cumulative Supplement,  
13 2016, and Laws 2015, LB661, section 4, are repealed.

14       Sec. 20. Since an emergency exists, this act takes effect when  
15 passed and approved according to law.