

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 638

FINAL READING

Introduced by Stinner, 48.

Read first time January 23, 2019

Committee: Appropriations

- 1 A BILL FOR AN ACT relating to the Cash Reserve Fund; to amend section
- 2 77-4602, Reissue Revised Statutes of Nebraska; to change provisions
- 3 relating to the transfer of excess General Fund net receipts to the
- 4 Cash Reserve Fund; to provide a qualified limit for such transfers;
- 5 to provide an operative date; and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4602, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-4602 (1) Within fifteen days after the end of each month, the Tax
4 Commissioner shall provide a public statement of actual General Fund net
5 receipts and a comparison of such actual net receipts to the monthly
6 estimate certified pursuant to section 77-4601.

7 (2) Within fifteen days after the end of each fiscal year, the
8 public statement shall also include a summary of actual General Fund net
9 receipts and estimated General Fund net receipts for the fiscal year.

10 (3) Within fifteen days after the end of each fiscal year, the Tax
11 Commissioner shall determine the following:

12 (a) Actual General Fund net receipts for the most recently completed
13 fiscal year minus estimated General Fund net receipts for such fiscal
14 year; and

15 (b) Fifty percent of the product of actual General Fund net receipts
16 for the most recently completed fiscal year times the difference between
17 the annual percentage increase in the actual General Fund net receipts
18 for the most recently completed fiscal year and the average annual
19 percentage increase in the actual General Fund net receipts over the
20 twenty previous fiscal years, excluding the year in which the annual
21 percentage change in actual General Fund net receipts is the lowest.

22 (4) ~~(3)~~ If the number determined under subdivision (3)(a) of this
23 section is a positive number the actual General Fund net receipts for the
24 fiscal year as reported in subsection (2) of this section exceed
25 estimated receipts for the fiscal year, the Tax Commissioner shall
26 immediately certify the greater of the two numbers determined under
27 subsection (3) of this section to the director such excess amount. The
28 State Treasurer shall immediately transfer the certified an amount equal
29 to such excess amount from the General Fund to the Cash Reserve Fund upon
30 certification by the director of such excess amount. The transfer shall
31 be made according to the following schedule:

1 (a) An amount equal to the amount determined under subdivision (3)
2 (a) of this section shall be transferred immediately; and

3 (b) The remainder, if any, shall be transferred by the end of the
4 subsequent fiscal year.

5 (5) If the transfer required under subsection (4) of this section
6 causes the balance in the Cash Reserve Fund to exceed sixteen percent of
7 the total budgeted General Fund expenditures for the current fiscal year,
8 such transfer shall be reduced so that the balance of the Cash Reserve
9 Fund does not exceed such amount.

10 (6) Nothing in this section prohibits the balance in the Cash
11 Reserve Fund from exceeding sixteen percent of the total budgeted General
12 Fund expenditures each fiscal year if the Legislature determines it
13 necessary to prepare for and respond to budgetary requirements which may
14 include, but are not limited to, capital construction projects and
15 responses to emergencies.

16 Sec. 2. This act becomes operative on July 1, 2020.

17 Sec. 3. Original section 77-4602, Reissue Revised Statutes of
18 Nebraska, is repealed.