

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 713

FINAL READING

Introduced by Vargas, 7.

Read first time January 23, 2019

Committee: Executive Board

- 1 A BILL FOR AN ACT relating to the Legislature; to amend section 50-419,
- 2 Reissue Revised Statutes of Nebraska; to state findings; to provide
- 3 duties for the Legislative Fiscal Analyst; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. The Legislature finds and declares that:

2 (1) Research conducted since 2009 by the University of Nebraska at
3 the request of the Legislature's Planning Committee shows (a) the
4 population of Nebraska is becoming more concentrated in the most populous
5 counties, with two-thirds of the counties showing dramatic and sustained
6 population loss, (b) the population of Nebraska is aging, and (c) the
7 population of Nebraska is becoming more racially and ethnically diverse;

8 (2) It is in the best interest of the economy of Nebraska to
9 anticipate long-term fiscal trends;

10 (3) The Legislative Fiscal Analyst, in partnership with the
11 Legislature's Planning Committee and the University of Nebraska, has a
12 tool to project the long-term fiscal impact of revenue and expenditure
13 measures and changes in federal policy; and

14 (4) The state is constitutionally prohibited from incurring debt,
15 which, due to downturns in revenue, has caused the Legislature to deplete
16 the cash reserves by more than one-half during the last two biennial
17 budgets. The restoration of cash reserves over the next two biennial
18 budgets is essential if the state is to meet its obligations and adapt to
19 the challenges projected by data accumulated by the Legislature's
20 Planning Committee.

21 Sec. 2. Section 50-419, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 50-419 (1) The Legislative Fiscal Analyst shall provide fiscal and
24 budgetary information and assistance to the Legislature and the
25 Appropriations Committee. During sessions of the Legislature he or she
26 shall work under the direction of the Appropriations Committee of the
27 Legislature. During the interim between legislative sessions he or she
28 shall work under the direction of the Executive Board of the Legislative
29 Council.

30 The Legislative Fiscal Analyst shall provide:

31 (a) Factual information and recommendations concerning the financial

1 operations of state government;

2 (b) Evaluation of the requests for appropriations contained in the
3 executive budget and recommendations thereon;

4 (c) Studies of capital outlay needs for the orderly and coordinated
5 development of state institutions and institutional programs authorized,
6 if not otherwise provided by law; ~~and~~

7 (d) Plans for legislative appropriation and control of funds, with
8 presession analysis of budgetary requirements; and -

9 (e) The following cycle of analyses of long-term fiscal
10 sustainability, beginning in FY2020-21:

11 (i) In even-numbered years, the joint revenue volatility report
12 required under section 50-419.02;

13 (ii) In odd-numbered years, a budget stress test comparing estimated
14 future revenue to and expenditure from major funds and tax types under
15 various potential economic conditions; and

16 (iii) Every four years, a long-term budget for programs appropriated
17 for major funds and tax types.

18 (2) His or her duties shall also include examining or auditing
19 functions or services authorized by the Legislature to determine if funds
20 are expended according to legislative intent and whether improvements in
21 organization and performance are possible. The examining function shall
22 also include the appraisal of functions for needed reforms.

23 (3) His or her duties shall be to coordinate his or her activities
24 with the budget officer of the Department of Administrative Services.

25 (4) All information and reports of the fiscal analyst and
26 Appropriations Committee shall be available to any and all members of the
27 Legislature.

28 (5) The Legislative Fiscal Analyst shall provide revenue-forecasting
29 information and assistance to the Legislature, the Revenue Committee of
30 the Legislature, and the Appropriations Committee of the Legislature. For
31 the purposes of this subsection, he or she shall work under the direction

1 of the Revenue Committee of the Legislature and the Appropriations
2 Committee of the Legislature. The revenue-forecasting information
3 provided under this subsection shall include:

4 (a) The estimated revenue receipts for each year of the following
5 biennium, including comparisons of current estimates for: ÷

6 (i) Each major tax type to long-term trends for that tax type;

7 (ii) Federal fund receipts to long-term federal fund trends; and

8 (iii) Tax collections and federal fund receipts to long-term trends;

9 (b) General Fund reserve requirements;

10 (c) A list of express obligations; and

11 (d) A summary of economic conditions affecting the State of
12 Nebraska.

13 Sec. 3. Original section 50-419, Reissue Revised Statutes of
14 Nebraska, is repealed.