LEGISLATIVE BILL 1012

Approved by the Governor April 4, 2022, with line-item vetoes overridden April

7, 2022. Language has been changed to reflect vetoes not overridden.

Introduced by Speaker Hilgers, 21; at the request of the Governor.

A BILL FOR AN ACT relating to appropriations; to amend sections 81-1210.02 and 81-12,145, Reissue Revised Statutes of Nebraska, sections 75-1101, 81-829.33, 81-1210.01, 81-1210.04, 81-12,153, 81-12,154, 81-12,156, 81-12,162, and 83-904, Revised Statutes Cumulative Supplement, 2020, and sections 71-7611, 81-12,147, 81-12,148, 81-12,149, 81-12,213, 81-12,218, 82-331, 83-973, 85-424, and 86-324, Revised Statutes Supplement, 2021; to provide for and change fund transfer provisions; to create and change permitted uses of funds; to provide for and change grant provisions; to change provisions relating to internship programs, capital construction, the Business Innovation Act, and the Nebraska Rural Projects Act; to eliminate provisions regarding state agency postage reimbursement and obsolete provisions regarding fund transfers; to harmonize provisions; to repeal the original sections; to outright repeal section 81-167, Reissue Revised Statutes of Nebraska; and to declare an emergency.
Be it enacted by the people of the State of Nebraska, 81-12,145, Reissue Revised Statutes of Nebraska, sections 75-1101,

Section 1. <u>The State Treasurer shall transfer \$500,000 from the General</u> <u>Fund to the Community College State Dependents Fund on or before April 30,</u> 2022, 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 \$1,000,000 from the General Fund to the Community College State Dependents Fund on July 1, 2022, or as soon thereafter as administratively possible, as directed by the budget administrator of the budget division of the Department of Administrative <u>Services.</u>

Sec. 3. <u>The Community College State Dependents Fund is created.</u> The fund shall be used to reimburse tuition expenses for dependents of Nebraska state employees enrolled in one of the state's six community colleges. The Department of Administrative Services shall administer the fund through the benefits administration program. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests for such purposes from any source, including federal, state, public, and private sources. 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. 4. (1) The Perkins County Canal Project Fund is created. The fund shall be administered by the Department of Natural Resources. The State <u>Treasurer shall credit to the fund any money transferred by the Legislature and</u> such grants, loans, donations, gifts, bequests, or other money received from any federal or state agency or public or private source for use by the department for the canal project. Any money in the Perkins County Canal Project 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)(a) The department shall use the fund for design, engineering, tting, and options to purchase land related to building a canal as <u>permitting,</u> outlined by the South Platte River Compact and to contract with an independent firm for the purposes of completing a study of such canal. The study shall include, but may not be limited to, the following:

(i) Costs of completion of a canal and adjoining reservoirs as outlined in the South Platte River Compact;

(ii) A timeline for completion of a canal and adjoining reservoirs as

outlined in the South Platte River Compact; (iii) A cost-effectiveness study examining alternatives, alternatives that may reduce environmental or financial impacts; and including

(iv) The impacts of the canal on drinking water supplies for the cities of Lincoln and Omaha.

(b) The department shall provide the findings of such study electronically <u>to the Clerk of the Legislature and present the findings at a public hearing</u> held by the Appropriations Committee of the Legislature on or before December <u>31, 2022.</u>

Sec. 5. (1) The Military Base Development and Support Fund is created. The fund shall be used to contribute to construction, development, or support on any military 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 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 projects on military bases located Nebraska, including, but not limited to: located

(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;

<u>(e) Base Lake improvements;</u>

(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 private funding in an amount equal to or greater than one-half of the total cost of any project listed in subsection (2) of this section prior to authorizing an expenditure from the fund.

Sec. 6. <u>The Trail Development and Maintenance Fund is hereby created. The</u> <u>fund shall consist of transfers at the direction of the Legislature and any</u> gifts, bequests, or other contributions to such fund from public or private entities. The Game and Parks Commission shall administer the fund to provide grants to natural resources districts to assist in completing the Missouri-<u>Pacific trail between the cities of Lincoln and Omaha. Any money in the fund</u> <u>available for investment shall be invested by the state investment officer</u> <u>pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds</u> <u>Investment Act.</u>

Sec. 7. (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. 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. 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 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 <u>Development Initiative Fund unless the Director of Natural Resources certifies</u> 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.

(1) The Water Recreation Enhancement Fund is created. The fund Sec. 8. 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. The fund shall be used for water and recreational projects pursuant to the Water Recreation Enhancement Act. 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. 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 7 of this act. Sec. 9. <u>There is hereby created the Surface</u>

Water <u>Irrigation</u> Infrastructure Fund to be administered by the Department of Natural Resources. The fund shall be used to provide grants in accordance with section 10 of this act to irrigation districts. There shall be a one-time transfer of fifty million dollars from the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund to carry out the purposes of section 10 of this act. Any

Surface Water Irrigation Infrastructure Fund available for money in the investment shall be invested by the state investment officer pursuant to the <u>Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.</u> Sec. 10. <u>The Department of Natural Resources shall establish procedures</u>

and criteria for awarding grants to irrigation districts from the Surface Water Irrigation Infrastructure Fund to be used for repair or construction of any headgate, flume, diversion structure, check valve, or any other physical structure used for irrigation projects. The department may award grants, not to exceed five million dollars per applicant, to an irrigation district that applies to the department based on criteria and procedures established by the department. In order to receive a grant under this section, a grant applicant shall provide matching funds equal to ten percent of the grant amount awarded <u>for such project.</u>

Sec. 11. Section 71-7611, Revised Statutes Supplement, 2021, is amended to read:

71-7611 (1) The Nebraska Health Care Cash Fund is created. The State 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, and (i) sixty-six million two hundred thousand dollars on or before July 15, 2022, and (i) fifty-one million dollars on or before every July 15 thereafter from the (j) fifty-one million 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. 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 <u>subsections (6) and (7)</u> <u>subsection (6)</u> 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) The State Treasurer shall transfer fifty thousand dollars on or before July 15, 2016, from the Nebraska Health Care Cash Fund to the Board of Regents of the University of Nebraska for the University of Nebraska Medical Center. It is the intent of the Legislature that these funds be used by the College of Public Health for workforce training.

(5) 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. (6) 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.

(7) 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 Pogente of the University of Nebraska the Board of Regents of the University of Nebraska.

Sec. 12. Section 75-1101, Revised Statutes Cumulative Supplement, 2020, is amended to read:

75-1101 (1) For purposes of this section, 211 Information and Referral Network means a statewide information and referral network providing

information to the public regarding disaster and emergency response and health and human services provided by public and private entities throughout the state.

(2) The Public Service Commission shall award a grant annually to a 211 Information and Referral Network which submits an application and meets the requirements of this section. <u>Beginning July 1, 2022, the</u> The amount of each

requirements of this section. Beginning July 1, 2022, the the amount of each
grant shall be <u>nine three</u> hundred <u>fifty-five</u> thousand dollars.
 (3) To be eligible for a grant, the 211 Information and Referral Network
shall update the information and referral services on the network at least
annually, shall geographically index the services to provide information on a
county-by-county basis, and shall be accredited as meeting the standards for
service delivery and quality by the Alliance of Information and Referral
Systems or a similar organization approved by the commission.
 (4) The grant may be used to establish a website which includes links to

(4) The grant may be used to establish a website which includes links to providers of health and human services, the name, address, and telephone number of any organization listed on the website, a description of the type of services provided by the organization, and other information to educate the public about the health and human services available on a geographic basis. The grant may also be used to provide access to the network twenty-four hours per

day, seven days per week, through telephone access and website access. (5) There is hereby created the 211 Cash Fund. The fund shall be used solely for the purpose of providing grants pursuant to this section and associated administrative costs. All money received by the Public Service Commission for such grants shall be remitted to the State Treasurer for credit to compare the purpose of providing the section and associated administrative costs. to such fund. 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. 13. Section 81-829.33, Revised Statutes Cumulative Supplement, 2020, is amended to read:

81-829.33 The Governor's Emergency Cash Fund is created. The fund shall consist of federal reimbursements received by the state for eligible state administrative costs incurred by the Nebraska Emergency Management Agency for administering federal emergency disaster declarations and revenue from all other nonfederal government sources. Except as provided in section 90-270, the fund shall be used to pay eligible costs related to state emergency disaster declarations. The fund shall be administered by the State Administrator of the Nebraska Emergency Management Agency. 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.

Transfers may be made from the Governor's Emergency Cash Fund to the Cash <u>Reserve Fund and General Fund at the direction of the Legislature. The State</u> <u>Treasurer shall transfer zero dollars from the Governor's Emergency Cash Fund</u> to the Cash Reserve Fund by 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.

Transfers may be made from the Governor's Emergency Cash Fund to the Cash Reserve Fund at the direction of the Legislature through June 30, 2021. The State Treasurer shall transfer sixty million dollars from the Governor's Emergency Cash Fund to the Cash Reserve Fund between August 7, 2020, and June 30, 2021, 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. Section 81-1210.01, Revised Statutes Cumulative Supplement, 2020, is amended to read:

81-1210.01 For purposes of sections 81-1210.01 to 81-1210.03:
(1) Department means the Department of Economic Development;
(2) Internship means employment of a student in a professional or technical position for a limited period of time, by a business in Nebraska, in which the student:

(a) <u>Gains</u> gains valuable <u>applied work experiences</u>; work experience,
 (b) <u>Increases</u> increases knowledge <u>and develops connections that assist</u>
 that assists with career decisionmaking; , and

(c) <u>Has the opportunity to match with an employer seeking talent to</u> <u>uate, develop, and retain; or</u> <u>eval</u>

(d) Receives credited or certified training for skilled positions that help resolve skilled workforce shortages and create talent pipelines for will <u>Nebraska industries</u> assists the business in accelerating short-term business objectives; and

(3) Student means any person who:(a) Is in eleventh or twelfth grade in a public or private high school or a school which elects pursuant to section 79-1601 not to meet accreditation or approval requirements in Nebraska;

(b) Is enrolled full-time in a college, <u>a</u> university, <u>a certified training</u>

institution, or some other institution of higher education; or
 (c) Applies for an internship within <u>twelve</u> six months following
graduation from a public or private secondary school, a school that elects
pursuant to section 79-1601 not to meet accreditation or approval requirements
in Nebraska, or a college, a university, a certified training institution, or
 some other institution of higher education.
 Sec. 15. Section 91 1210 02. Decision: Deviced Ctatutes of Statutes

Sec. 15. Section 81-1210.02, Reissue Revised Statutes of Nebraska, is amended to read:

81-1210.02 (1) The intent of sections 81-1210.01 to 81-1210.03 is to provide students with valuable internship opportunities in order to retain such

students in the State of Nebraska at institutions of higher education, convert students to full-time employment in Nebraska, and attract workers to Nebraska

by assisting Nebraska businesses willing to provide paid internships. (2) A business may apply to the department for a grant to assist in

providing a student an internship if: (a) The business certifies that the internship meets the definition of internship in section 81-1210.01;

(b) The business will pay the student at least the <u>state</u> federal minimum hourly wage for the internship;

(c) The internship will be completed within the State of Nebraska;

(d) The internship will be completed within a period of no more than twenty-four twelve months; and
 (e) The internship will be for a duration sufficient to allow the student

to gain significant valuable work experience and knowledge. (3)(a) (3) The department may provide grants for internships <u>to reimburse</u> <u>the cost of wages paid to businesses with less than fifty full-time-equivalent</u> employees.

(b) The department may also provide grants for internships to any business to reimburse the costs for any of the following: (i) Tuition reimbursement for courses at institutions of higher education;

(ii) Internship housing;

(iii) Transportation expenses relating to internships; and

<u>(iv) Internship administrative or recruitment costs.</u>

(c) The maximum grant award per internship is seven thousand five hundred dollars. in the following amounts:

(a) If the student receiving the internship is a Federal Pell Grant recipient at the time of grant application, the grant may be up to the lesser of seventy-five percent of the cost of the internship or seven thousand five hundred dollars. The business applying for the grant shall provide the department with documentation to prove that the student is a Federal Pell Grant recipient; and

(b) For all other students, the grant may be up to the lesser of seventyfive percent of the cost of the internship or five thousand dollars.

(4) A business may apply for no more than two grants for the same student_{τ} shall not be awarded more than five grants at any one location in any twelvemonth period, and shall not be awarded more than one hundred ten grants total in any twelve-month period.

(5) A business may allow a student to telecommute if the business is located more than thirty miles from the college, university, or other institution of higher education in which the student is enrolled and if the

college, university, or other institution of higher education is in Nebraska. (6) The department shall, to the extent possible, assure that the distribution of grants under sections 81-1210.01 to 81-1210.03 provides equitable access to the grants by all geographic areas of the state. (7) The department shall, to the extent possible, assure that the grants awarded pursuant to sections 81-1210.01 to 81-1210.03 are for internships which provide valuable learning apportunities for students who will be cooking

provide valuable learning opportunities for students who will be employment in a professional or technical field. seekina

(8) The department shall not allocate more than one million five hundred thousand dollars in any one fiscal year from the Job Training Cash Fund or its subaccounts for purposes of this section. The department may receive funds from

subaccounts for purposes of this section. The department may receive funds from
public, private, or other sources for purposes of this section.
 (9) The department shall develop a qualified action plan by January 1 of
each even-numbered year. The plan shall, at a minimum, set forth the
department's priorities and selection criteria for awarding grants for
internships. In order to encourage students from across Nebraska to pursue
internships, the plan shall also include strategies for affirmatively marketing
internships to Nebraska students in high schools, colleges, universities, and
other institutions of higher education in Nebraska. Such strategies shall place
an emphasis on marketing to underserved student populations as defined by the an emphasis on marketing to underserved student populations as defined by the department in the plan. The department shall submit the plan to the Governor for approval.

(10) The department shall execute a memorandum of understanding with the Department of Labor before December 31, 2022, to ensure the exchange of available Department of Labor data throughout the continuum from prekindergarten to postsecondary education to the workforce. The department may utilize data and agreements under sections 79-776, 85-110, 85-309, and 85-1511.

(11) The department shall submit an annual report to the Governor and the Legislature on or before July 1 of each year which includes, but is not limited to, a description of the demand for internship grants and programs under to, a description of the demand for internship grants and programs under sections 81-1210.01 to 81-1210.03 from all geographic regions in Nebraska, a listing of the recipients and amounts of internship grants awarded in the previous fiscal year, the impact of the internship grants, and an evaluation of the internship grants and programs under sections 81-1210.01 to 81-1210.03 based on the documented goals of the recipients. The report submitted to the Legislature shall be submitted electronically. The department may require recipients to provide periodic performance reports to enable the department to fulfill the requirements of this subsection. The report shall contain no information that is protected by state or federal confidentiality laws.

(12) The department may enter into a contract with a Nebraska-based nonprofit entity for the purposes of carrying out any or all of the provisions of sections 81-1210.01 to 81-1210.03.

Sec. 16. Section 81-1210.04, Revised Statutes Cumulative Supplement, 2020,

is amended to read:

81-1210.04 (1) The Intern Nebraska Cash Fund is created. The fund shall be used to carry out sections 81-1210.01 to 81-1210.03. The fund shall consist of money transferred to the fund by the Legislature, other funds as appropriated by the Legislature, and money donated as gifts, bequests, or other contributions from public or private entities. 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 Department of Economic Development, or any entity with which the department contracts for such purpose, may use up to five percent of any appropriation to carry out sections 81-1210.01 to 81-1210.03 for administrative <u>services.</u>

Sec. 17. Section 81-12,145, Reissue Revised Statutes of Nebraska, is amended to read:

(1) The Legislature finds that current economic conditions, 81-12,145 lack of available industrial sites and buildings, and declining resources at all levels of government adversely affect the ability of Nebraska's cities and villages to obtain viable industrial sites on which to build businesses, obtain buildings, and create jobs. Lack of industrial sites and buildings also affects the ability of communities to maintain and develop stable and growth-prone economies.

(2) The Furthermore, the Legislature finds that Nebraska is at a competitive disadvantage for business development relative to other states in the nation due to a lack of appropriately sized industrial sites and buildings available for business relocations to Nébraska and expansions. The future of investment and jobs in Nebraska will suffer should the state continue to ignore this challenge.

(3) The Legislature finds that development of a public-private-partnership facility in conjunction with the United States Strategic Command will enhance the economic conditions and create conditions favorable to the industrial <u>readiness of the state.</u>

(4) To enhance the economic development of the state and to provide for the general prosperity of all of Nebraska's citizens, it is in the public interest to assist in the provision of industrial-ready sites and buildings in all areas of the state. The establishment of the Site and Building Development Fund will assist in creating conditions favorable to meeting the industrial readiness of the state.

Sec. 18. Section 81-12,147, Revised Statutes Supplement, 2021, 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:

buildings ready for industrial development;

(b) Matching funds for new construction, rehabilitation, or acquisition of

(a) hatching funds for how bonchaber action, for habilitation, 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 industrialready 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; and

(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. (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. 19. Section 81-12,148, Revised Statutes Supplement, 2021, is amended to read:

81-12,148 (1) Governmental subdivisions and Nebraska nonprofit organizations are eligible to receive assistance under the Site and Building Development Act. Any entity receiving assistance under <u>subsection (1) of</u> <u>section 81-12,147</u> the act shall provide, or cause to be provided, matching funds for the eligible activity in an amount determined by the Department of Economic Development, which amount shall be at least equal to one hundred percent of the amount of assistance provided by the Site and Building Development Fund. Nothing in the act shall be construed to allow individuals or businesses to receive direct loans from the fund.

(2) An applicant for a grant for development of a public-private-

partnership facility under subdivision (1)(h) of section 81-12,147 shall provide the Director of Economic Development with a letter of support from the United States Strategic Command prior to approval of the application and with proof of the availability of twenty million dollars in private or other funds for the facility. No funds shall be expended or grants awarded until receipt of proof of the availability of twenty million dollars in private or other funds for the facility and certification is provided by the Director of Economic Development to the budget administrator of the budget division of the Department of Administrative Services.

(3) (2) This section does not apply to any inland port authority receiving assistance under subsection (2) of section 81-12,147. Sec. 20. Section 81-12,149, Revised Statutes Supplement, 2021, is amended

to read:

81-12,149 (1) During each calendar year in which funds are available from the Site and Building Development Fund for use by the Department of Economic Development <u>pursuant to subdivisions (1)(a) through (g) of section 81-12,147</u>, the department shall allocate a specific amount of funds, not less than forty to nonmetropolitan areas. For purposes percent, of this section. nonmetropolitan areas means counties with fewer than one hundred thousand inhabitants according to the most recent federal decennial census. In selecting inhabitants according to the most recent federal decennial census. In selecting projects to receive <u>such</u> fund assistance, the department shall develop a qualified action plan by January 1 of each even-numbered year. The plan shall give first priority to financially viable projects that have an agreement with a business that will locate a site within ninety days of the signed agreement and to financially viable projects located 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. The plan shall set forth selection criteria to be used to determine priorities of the fund <u>for activities pursuant to subdivisions (1)(a)</u> through (g) of section 81-12.147 which are appropriate to local conditions. through (g) of section 81-12,147 which are appropriate to local conditions, including the community's immediate need for site and building development, proposed increases in jobs and investment, private dollars leveraged, level of local government support and participation, and repayment, in part or in whole, of financial assistance awarded by the fund. The Director of Economic Development shall submit the plan to the Governor for approval.

(2) The department shall fund in order of priority as many applications for activities pursuant to subdivisions (1)(a) through (g) of section 81-12, 147as will utilize available money in the Site and Building Development Fund funds less actual administrative costs of the department in administering the \underline{fund} program. In administering the \underline{fund} , program the department may contract for services or directly provide money funds to other governmental entities or instrumentalities.

(3) This section does not apply to any inland port authority receiving assistance under subsection (2) of section 81-12,147.
 Sec. 21. Section 81-12,153, Revised Statutes Cumulative Supplement, 2020,

is amended to read:

81-12,153 For purposes of the Business Innovation Act:
(1) Department means the Department of Economic Development;

(2) Economic redevelopment area means an area in the State of Nebraska in which:

(a) The average rate of unemployment in the area during the period covered by the most recent federal decennial census or American Community Survey 5-Year Estimate by the United States Bureau of the Census is at least one hundred fifty percent of the average rate of unemployment in the state during the same period; and

(b) The average poverty rate in the area is twenty percent or more for the federal census tract in the area;

(<u>3</u>) (<u>2</u>) Federal grant program means the federal Small Business Administration's Small Business Innovation Research grant program or Small

Business Technology Transfer grant program; (4) (3) Microenterprise means a for-profit business entity with not more than ten full-time equivalent employees;

(5) (4) Prototype means an original model on which something is patterned by a resident of Nebraska or a company located in Nebraska; and

(6) (5) Value-added agriculture means increasing the net worth of food or nonfood agricultural products by processing, alternative produc handling methods, collective marketing, or other innovative practices. alternative production and

Sec. 22. Section 81-12,154, Revised Statutes Cumulative Supplement, 2020, is amended to read:

81-12,154 The purpose of the Business Innovation Act is to encourage and support the transfer of Nebraska-based technology and innovation in rural and urban areas of Nebraska in order to create high growth, high technological companies, small businesses, and microenterprises and to enhance creation of wealth and quality jobs. The Legislature finds that the act will: (1) Provide technical assistance planning grants pursuant to section 81-12,157 to facilitate phase one applications for the federal grant program; (2) Provide financial assistance pursuant to section 81-12,157 to companies receiving phase one and phase two grants pursuant to the federal grant program:

grant program;

(3) Provide financial assistance pursuant to section 81-12,158 to companies or individuals creating prototypes;

(4) Establish a financial assistance program pursuant to section 81-12,159 for innovation in value-added agriculture;

(5) Establish a financial assistance program for innovation in biosciences;

(6) Establish a financial assistance program pursuant to section 81-12,160

identify commercial products and processes; (7) Provide financial assistance pure assistance pursuant to section 81-12,161 to companies using Nebraska public or private college and university researchers
and facilities for applied research projects;
 (8) Provide support and funding pursuant to section 81-12,162 for
microlending entities, and microenterprise entities, and innovation hubs; and
 (0) Provide support for legally gymod and energied Nebraska based bight

(9) Provide support for locally owned and operated Nebraska-based, high growth businesses by providing technical resources to foster development, growth, and high wage creation. For purposes of this subdivision, Nebraska-based, high growth business means a corporation, partnership, limited liability company, limited partnership, or limited liability partnership registered with the Secretary of State that has two to fifty employees and has annual sales of no less than five hundred thousand dollars and no more than two million five hundred thousand dollars.

Sec. 23. Section 81-12,156, Revised Statutes Cumulative Supplement, 2020, is amended to read:

81-12,156 When selecting projects for funding under the Business Innovation Act, the department shall give a preference to projects located in whole or in part within <u>an economic redevelopment area</u>, 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.

Sec. 24. Section 81-12,162, Revised Statutes Cumulative Supplement, 2020, is amended to read:

81-12,162 (1) The department shall establish a small business investment program. The program:

(a) Shall provide grants to microloan delivery organizations, or microloan

technical assistance organizations, and innovation hubs to: (i) Better assure that Nebraska's microenterprises are able to realize their full potential to create jobs, enhance entrepreneurial skills and activity, and increase low-income households' capacity to become selfsufficient;

(ii) Provide funding to foster the creation of microenterprises;

(iii) Establish the department as the coordinating facilitation of microlending and microenterprise development; office the for

(iv) Facilitate the development of a permanent, statewide infrastructure of microlending support organizations to serve Nebraska's microenterprise and self-employment sectors;

(v) Enable the department to provide grants to community-based microenterprise development organizations in order to encourage the development to community-based and growth of microenterprises throughout Nebraska; and

(vi) Enable the department to engage in contractual relationships with statewide microlending support organizations <u>and innovation hubs</u> which have the capacity to leverage additional nonstate funds for microenterprise lending.

To the maximum extent possible, the selection process should assure that the distribution of such financial assistance provides equitable access to the benefits of the Business Innovation Act by all geographic areas of the state; and

(b) May identify and coordinate other state and federal sources of funds which may be available to the department to enhance the state's ability to facilitate financial assistance pursuant to the program.

(2) To establish the criteria for making an award to a microloan delivery organization, or microloan technical assistance organization, or innovation hub, the department shall consider:

(a) The plan for providing business development services and microloans to microenterprises;

(b) The scope of services to be provided by the microloan delivery organization, or microloan technical assistance organization, or innovation <u>hub;</u>

(c) The plan for coordinating the services and loans provided by the loan delivery <u>organization</u>, or microloan technical assistance microloan organization, or innovation hub with commercial lending institutions;

(d) The geographic representation of all regions of the state, including both urban and rural communities and neighborhoods;

(e) The ability of the microloan delivery <u>organization</u>, or microloan technical assistance organization, or innovation hub to provide for business development in areas of chronic economic distress and low-income regions of the state;

(f) The ability of the microloan delivery <u>organization</u>, or microloan technical assistance organization, <u>or innovation hub</u> to provide business training and technical assistance to microenterprise clients;

(g) The ability of the microloan delivery <u>organization</u>, or microloan technical assistance organization, or <u>innovation hub</u> to monitor and provide financial oversight of recipients of microloans; and
 (h) Sources and sufficiency of operating funds for the microenterprise

development organization.

(3) Awards made by the department to a microloan delivery organization, or

microloan technical assistance organization, or innovation hub may be used to: (a) Satisfy matching fund requirements for other federal or private grants;

(b) Establish a revolving loan fund from which the microloan delivery

organization, or microloan technical assistance organization, or innovation hub organization, of microenterprises; may make loans to microenterprises;

from which the microloan deliverv organization, or microloan technical assistance organization, or innovation hub guarantee loans made commercial may by lending institutions to microenterprises;

(d) Provide funding for the operating costs of a microloan delivery organization, or microloan technical assistance organization, or innovation hub not to exceed twenty percent; and

(e) Provide grants to establish loan-loss reserve funds to match loan capital borrowed from other sources, including federal microenterprise loan programs.

Any of financial assistance to a microloan (4) award deliverv organization, or microloan technical assistance organization, or innovation hub shall meet the following qualifications:

(a) Funds shall be matched by nonstate funds equivalent in money or in-kind contributions or a combination of both equal to thirty-five percent of the grant funds requested. Such matching funds may be from any nonstate source, including private foundations, federal or local government sources, quasi-governmental entities, or commercial lending institutions, or any other funds whose source does not include funds appropriated by the Legislature;

(b) Microloan funds shall be disbursed in microloans which do not exceed one hundred fifty thousand dollars or used to capitalize loan-loss reserve

funds for such loans; and
 (c) A minimum of fifty percent of the microloan funds shall be used by a microenterprise development assistance organization for small business technical assistance.

The department shall contract with a statewide microenterprise development assistance organization to carry out this section.

(5) Each year the department may award up to $\underline{three} \ \underline{two}$ million dollars under this section.

Sec. 25. Section 81-12,213, Revised Statutes Supplement, 2021, is amended to read:

81-12,213 (1) The right to receive matching funds under the Nebraska Rural Projects Act:

(a) Shall be subject to the limitations on matching funds provided in subsections (3) and (2) through (4) of this section and any other limitations provided in the act;

(b) Shall be subject to funds being appropriated by the Legislature; and

(c) Shall not be transferable.

(2) No <u>less</u> more than fifty million dollars of matching funds shall be paid in total under the Nebraska Rural Projects Act.

(3) No more than thirty million dollars of matching funds shall be paid for any one project <u>out of the initial fifty million dollars appropriated</u> <u>pursuant to subsection (7) of this section. If more than fifty million dollars</u> <u>are appropriated under the act, no one project shall receive more than sixty</u> <u>percent of the amount appropriated in excess of fifty million dollars</u>. (4) An applicant shall not receive more matching funds than the amount of

matching funds approved under the applicant's agreement.

(5) For any year in which more than one applicant qualifies for matching funds, the applicant with the earlier date of application shall receive the full amount of matching funds to which he or she is entitled before any matching funds may be paid to the applicant with the later date of application. If an applicant cannot be paid in full in any given year, then the matching funds shall be paid in later years until fully funded, subject to the limitations provided in this section.

(6) It is the intent of the Legislature that all matching funds owed to applicants under agreements signed pursuant to the Nebraska Rural Projects Act shall be paid by the state in full if the applicant has met all requirements for such funds.

(7) It is further the intent of the Legislature to appropriate twenty-five five million dollars for fiscal year 2021-22 and <u>twenty-five</u> five million dollars for fiscal year 2022-23 to the Department of Economic Development for purposes of carrying out the Nebraska Rural Projects Act.

Sec. 26. Section 81-12,218, Revised Statutes Supplement, 2021, is amended to read:

81-12,218 (1) The Nebraska Rural Projects Fund is hereby created. The fund shall receive money from application fees paid under the Nebraska Rural Projects Act and from <u>transfers</u> <u>authorized</u> by <u>appropriations</u> from the Legislature, grants, private contributions, repayments of matching funds, and all other sources. 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) Distributions of matching funds shall only be made from the fund in amounts determined pursuant to subsection (1) of section 81-12,211.

Sec. 27. Section 82-331, Revised Statutes Supplement, 2021, is amended to read:

82-331 (1) There is hereby established in the state treasury a trust fund to be known as the Nebraska Cultural Preservation Endowment Fund. The fund shall consist of funds appropriated or transferred by the Legislature, and only the earnings of the fund may be used as provided in this section. (2) Except as provided in subsection (3) of this section, it is the intent of the Legislature that the State Treasurer shall transfer (a) an amount not to

exceed one million dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31, 2013, (b) an amount not to exceed five hundred thousand dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31, 2014, (c) an amount not to exceed seven hundred fifty thousand dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31 of 2015 and 2016, (d) an amount not to exceed five hundred thousand dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31 of 2015 and 2016, (d) an amount not to exceed five hundred thousand dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund on December 31 of 2019 and 2020, and (e) an amount not to exceed one million dollars from the General Fund to the Nebraska Cultural Preservation Endowment Fund annually on December 31 beginning in 2021 and continuing through December 31, <u>2030</u> 2028.

the Nebraska Cultural Preservation Endowment Fund annually on December 31 beginning in 2021 and continuing through December 31, <u>2030</u> 2028. (3) Prior to the transfer of funds from any state account into the Nebraska Cultural Preservation Endowment Fund, the Nebraska Arts Council shall provide documentation to the budget division of the Department of Administrative Services that qualified endowments have generated a dollar-fordollar match of new money, up to the amount of state funds authorized by the Legislature to be transferred to the Nebraska Cultural Preservation Endowment Fund. For purposes of this section, new money means a contribution to a qualified endowment generated after July 1, 2011. Contributions not fully matched by state funds shall be carried forward to succeeding years and remain available to provide a dollar-for-dollar match for state funds. For an endowment to be a qualified endowment (a) the endowment must meet the standards set by the Nebraska Arts Council or Nebraska Humanities Council, (b) the endowment must be intended for long-term stabilization of the organization, and (c) the funds of the endowment must be endowed and only the earnings thereon expended. The budget division of the Department of Administrative Services shall notify the State Treasurer to execute a transfer of state funds up to the amount specified by the Legislature, but only to the extent that the Nebraska Arts Council has provided documentation of a dollar-for-dollar match. State funds not transferred shall be carried forward to the succeeding year and be added to the funds authorized for a dollar-for-dollar match during that year.

(4) The Legislature shall not appropriate or transfer money from the Nebraska Cultural Preservation Endowment Fund for any purpose other than the purposes stated in sections 82-330 to 82-333, except that the Legislature may appropriate or transfer money from the fund upon a finding that the purposes of such sections are not being accomplished by the fund.

(5) Any money in the Nebraska Cultural Preservation Endowment 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.

(6) All investment earnings from the Nebraska Cultural Preservation Endowment Fund shall be credited to the Nebraska Arts and Humanities Cash Fund. Sec. 28. Section 83-904, Revised Statutes Cumulative Supplement, 2020, is

amended to read: 83-904 (1) The Vocational and Life Skills Program is created within the Department of Correctional Services, in consultation with the Board of Parole. The program shall provide funding to aid in the establishment and provision of community-based vocational training and life skills training for adults who are incarcerated, formerly incarcerated, or serving a period of supervision on either probation or parole.

(2) The Vocational and Life Skills Programming Fund is created. The fund shall consist of <u>transfers authorized by</u> appropriations from the Legislature, funds donated by nonprofit entities, funds from the federal government, and funds from other sources. The Up to thirty percent of the fund may be used for staffing the reentry program created under section 83-903 and to provide treatment to individuals preparing for release from incarceration. At least seventy percent of the fund shall be used to provide grants to community-based organizations, community colleges, federally recognized or state-recognized Indian tribes, or nonprofit organizations that provide vocational and life Indian tribes, or nonprofit organizations that provide vocational and life skills programming and services to adults and juveniles who are incarcerated, who have been incarcerated within the prior eighteen months, or who are serving a period of supervision on either probation or parole. The department, in awarding grants, shall give priority to programs, services, or training that results in meaningful employment or that provides reentry or transitional housing, wrap-around services, family support, or restorative justice programming, and no money from the fund shall be used for capital construction. 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 investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Investment earnings from investment of money in the fund shall be credited to the fund. <u>Beginning July 1, 2022, and</u> each July 1 thereafter until July 1, 2024, the State Treasurer shall transfer five million dollars annually from the Prison Overcrowding Contingency Fund to the Vocational and Life Skills Programming Fund, on such dates as directed by of the <u>Department</u> <u>the budget administrator</u> <u>budget division</u> of the of <u>Administrative Services.</u>

(3) The department, in consultation with the Board of Parole, shall adopt and promulgate rules and regulations to carry out the Vocational and Life Skills Program. The rules and regulations shall include, but not be limited to, a plan for evaluating the effectiveness of programs, services, and training that receive funding and a reporting process for aid recipients. The reentry program administrator shall report quarterly to the Governor and the Clerk of the Legislature beginning October 1, 2014, on the distribution and use of the aid distributed under the Vocational and Life Skills Program, including how

many individuals received programming, the types of programming, the cost per individual for each program, service, or training provided, how many individuals successfully completed their programming, and information on any funds that have not been used. The report to the Clerk of the Legislature shall be submitted electronically. Any funds not distributed to community-based organizations, community colleges, federally recognized or state-recognized Indian tribes, or nonprofit organizations under this subsection shall be retained by the department to be distributed on a competitive basis under the Vocational and Life Skills Program. These funds shall not be expended by the department for any other purpose.

Sec. 29. Section 83-973, Revised Statutes Supplement, 2021, is amended to read:

83-973 The Prison Overcrowding Contingency Fund is created. The State Treasurer shall transfer fifteen million dollars from the General Fund to the Prison Overcrowding Contingency Fund on or before July 15, 2021, on such date as directed by the budget administrator of the budget division of the Department of Administrative Services. It is the intent of the Legislature that these funds remain in the Prison Overcrowding Contingency Fund until sufficient details are provided to the Legislature regarding plans to reduce prison overcrowding, except that (1) the fund may be used for purposes of a study of inmate classification within the Department of Correctional Services and (2) transfers may be made to the Vocational and Life Skills Programming Fund at the direction of the Legislature. Any money in the Prison Overcrowding Contingency 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.

Sec. 30. Section 85-424, Revised Statutes Supplement, 2021, is amended to read:

85-424 (1) The Legislature shall appropriate from the General Fund (a) an amount not less than one million one hundred twenty-five thousand dollars to the State College Facilities Program for each fiscal year for the period commencing July 1, 2006, and continuing through the fiscal year ending June 30, 2040, and (b) an amount not less than two million two hundred sixteen thousand dollars in each fiscal year for the appropriations referred to in subsection (5) of section 85-410, which shall be continued through the fiscal year ending (5) of section 85-419, which shall be continued through the fiscal year ending June 30, 2040, to the State College Facilities Program to be used by the Board of Trustees of the Nebraska State Colleges to accomplish projects as provided in this section. Through the allotment process established in section 81-1113 the Department of Administrative Services shall make appropriated funds available. Undisbursed appropriations balances existing in the State College Facilities Program at the end of each fiscal year until June 30, 2041, shall be and are hereby reappropriated.

(2) The Legislature finds and determines that the projects funded through the State College Facilities Program are of critical importance to the State of Nebraska. It is the intent of the Legislature that the appropriations to the program shall not be reduced until all contracts and securities relating to the construction and financing of the projects or portions of the projects funded from such funds or accounts of such funds are completed or paid but in no case

 shall such appropriations extend beyond the fiscal year ending June 30, 2040.
 (3) Subject to the receipt of project approval from the Coordinating Commission for Postsecondary Education as required by subsection (10) of section 85-1414 for each of the following state college projects, the Board of Trustees of the Nebraska State Colleges is authorized to make expenditures from Trustees of the Nebraska State Colleges is authorized to make expenditures from the State College Facilities Program for the following state college projects: (a) Deferred maintenance, repair, and renovation of Chadron State College Academic/Administration Building; (b) design and placement of a new Peru State College emergency power generator; (c) replacement of existing Peru State College Al Wheeler Activity Center bleachers; (d) addition to and deferred maintenance, repair, and renovation of Peru State College Al Wheeler Activity Center; (e) addition to and deferred maintenance, repair, and renovation of Center; (e) addition to and deferred maintenance, repair, and renovation of Wayne State College Campus Services Building; (f) deferred maintenance, repair, and renovation of Wayne State College Rice Auditorium; (g) deferred maintenance, repair, and renovation of Wayne State College Memorial Stadium; (h) replacement of or deferred maintenance, repair, and renovation of Chadron State College stadium; (i) addition to and deferred maintenance, repair, and renovation of Peru State College Theatre/Event Center; (j) construction of a facility to replace Wayne State College Benthack Hall applied technology programmatic space; (k) systemwide miscellaneous fire and life safety, energy conservation deferred renair federal Americans with Disabilities Act of 1990 conservation, deferred repair, federal Americans with Disabilities Act of 1990, and asbestos removal projects; (1) construction of the Math Science Facility at Chadron State College; (m) construction and renovation of the Indoor/Outdoor Recreation Complex at Peru State College; (n) addition to and renovation of Wayne State College Rice Auditorium and Kirk Gardner Indoor Athletic Complex; and (o) (m) any renewal, renovation, replacement, or repair of existing state college facilities.

(4) Expenditures of matching funds provided for the projects listed in this section by the Board of Trustees of the Nebraska State Colleges as provided for in section 85-419 shall be accounted for in the Nebraska State Accounting System through the State College Facilities Program or according to some other reporting process mutually agreed upon by the state colleges and the Department of Administrative Services. (5) The Board of Trustees of the Nebraska State Colleges shall record and

report, on the Nebraska State Accounting System, expenditure of amounts from

the State College Facilities Program and expenditure of proceeds arising from any contract entered into pursuant to this section and section 85-425 in such manner and format as prescribed by the Department of Administrative Services or according to some other reporting process mutually agreed upon by the state colleges and the Department of Administrative Services.

(6) At least once every two fiscal years beginning with fiscal year 2023-24 for the biennial period from fiscal years 2023-25, the Board of Trustees of the Nebraska State Colleges shall report to the Legislature (a) the projects expected to be constructed or newly financed in the next biennium from the State College Facilities Program and (b) the projects that were constructed or newly financed in the previous biennium from the State College Facilities Program. In addition, at least once every ten fiscal years beginning with fiscal year 2022-23, the Board of Trustees shall provide to the Legislature a copy of its current long-term capital plan for projects to be constructed or newly financed from the State College Facilities Program.

Sec. 31. Section 86-324, Revised Statutes Supplement, 2021, 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 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; (e) 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

(f) 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) Transfers may be made from earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund at the direction of the Legislature. The State Treasurer shall annually transfer <u>nine hundred fifty-five</u> three hundred thousand dollars on July 1 beginning in <u>2022</u> 2021 from the earnings on the Nebraska Telecommunications Universal Service Fund to the 211 Cash Fund.

Sec. 32. Original sections 81-1210.02 and 81-12,145, Reissue Revised Sec. 32. Original Sections 01-1210.02 and 01-12,143, Refstue Revised Statutes of Nebraska, sections 75-1101, 81-829.33, 81-1210.01, 81-1210.04, 81-12,153, 81-12,154, 81-12,156, 81-12,162, and 83-904, Revised Statutes Cumulative Supplement, 2020, and sections 71-7611, 81-12,147, 81-12,148, 81-12,149, 81-12,213, 81-12,218, 82-331, 83-973, 85-424, and 86-324, Revised Statutes Supplement, 2021, are repealed. Sec. 33. The following section is outright repealed: Section 81-167,

Reissue Revised Statutes of Nebraska.

Sec. 34. Since an emergency exists, this act takes effect when passed and approved according to law.