

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 600

FINAL READING
(SECOND)

Introduced by Lippincott, 34; Aguilar, 35; Briese, 41; Hardin, 48;
McDonnell, 5; Riepe, 12; Vargas, 7; Wayne, 13.

Read first time January 17, 2023

Committee: Transportation and Telecommunications

- 1 A BILL FOR AN ACT relating to cities and villages; to amend section
- 2 84-612, Revised Statutes Supplement, 2023; to adopt the Municipality
- 3 Infrastructure Aid Act; to transfer funds from the Cash Reserve
- 4 Fund; to repeal the original section; and to declare an emergency.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 8 of this act shall be known and may be
2 cited as the Municipality Infrastructure Aid Act.

3 Sec. 2. For purposes of the Municipality Infrastructure Aid Act:

4 (1) Eligible grantee means a city of the first class, city of the
5 second class, or village with a redevelopment plan approved under the
6 Community Development Law;

7 (2) Infrastructure includes water systems, sewer systems, roads,
8 bridges, and other site development activities; and

9 (3) Program means the Municipality Infrastructure Aid Program
10 created in section 3 of this act.

11 Sec. 3. The Municipality Infrastructure Aid Program is created. The
12 Department of Economic Development shall administer the program. The
13 purpose of the program is to finance infrastructure improvements in
14 cities of the first class, cities of the second class, and villages.

15 Sec. 4. (1) Beginning July 1, 2024, an eligible grantee may apply
16 to the Department of Economic Development for a grant under the
17 Municipality Infrastructure Aid Act on forms created by the department.

18 (2) To be eligible for a grant under the Municipality Infrastructure
19 Aid Act, an eligible grantee shall include the following in its
20 application:

21 (a) The infrastructure improvements that are a part of a
22 redevelopment plan approved under the Community Development Law;

23 (b) How the infrastructure improvements would attract and support
24 any new business or business expansion;

25 (c) How the infrastructure improvements would provide infrastructure
26 that is sufficient for the new business or business expansion;

27 (d) The cost-benefit analysis of the redevelopment plan approved
28 under the Community Development Law; and

29 (e) How the new business or business expansion would provide the
30 following:

31 (i) The creation of additional jobs in or near the eligible grantee;

1 (ii) The creation of high-quality jobs in or near the eligible
2 grantee;

3 (iii) Increased business investment in or near the eligible grantee;
4 and

5 (iv) Revitalization of rural and other distressed areas of the
6 state.

7 (3) A grant shall not be awarded to an eligible grantee if:

8 (a) The eligible grantee does not provide a positive cost-benefit
9 analysis of the redevelopment plan approved under the Community
10 Development Law; or

11 (b) The eligible grantee does not provide matching funds in the
12 amount of at least twenty-five percent of the amount of the grant.

13 (4) An eligible grantee shall not be awarded a grant of more than
14 five million dollars for any single application.

15 Sec. 5. The Department of Economic Development shall:

16 (1) Create an application process for an eligible grantee to apply
17 for a grant under the Municipality Infrastructure Aid Act;

18 (2) Establish a process for awarding grants under the Municipality
19 Infrastructure Aid Act and how grant money will be provided to a grant
20 recipient; and

21 (3) Create a process for recoupment of grant money that is not spent
22 for the purpose of a grant or if the grant recipient does not meet all
23 required obligations regarding the grant.

24 Sec. 6. The Department of Economic Development may consult with
25 statewide associations representing municipal officials, economic
26 developers, the Department of Transportation, and the Department of
27 Environment and Energy in order to carry out the Municipality
28 Infrastructure Aid Act.

29 Sec. 7. The Municipality Infrastructure Aid Fund is created. The
30 fund shall be administered by the Department of Economic Development and
31 shall be used for the purposes of the Municipality Infrastructure Aid

1 Act. The Municipality Infrastructure Aid Fund shall consist of money
2 transferred by the Legislature and money that was recouped under the
3 Municipality Infrastructure Aid Act. Any money in the fund available for
4 investment shall be invested by the state investment officer pursuant to
5 the Nebraska Capital Expansion Act and the Nebraska State Funds
6 Investment Act. Investment earnings from investment of money in the fund
7 shall be credited to the fund.

8 Sec. 8. The Department of Economic Development may adopt and
9 promulgate rules and regulations to carry out the Municipality
10 Infrastructure Aid Act.

11 Sec. 9. Section 84-612, Revised Statutes Supplement, 2023, is
12 amended to read:

13 84-612 (1) There is hereby created within the state treasury a fund
14 known as the Cash Reserve Fund which shall be under the direction of the
15 State Treasurer. The fund shall only be used pursuant to this section.

16 (2) The State Treasurer shall transfer funds from the Cash Reserve
17 Fund to the General Fund upon certification by the Director of
18 Administrative Services that the current cash balance in the General Fund
19 is inadequate to meet current obligations. Such certification shall
20 include the dollar amount to be transferred. Any transfers made pursuant
21 to this subsection shall be reversed upon notification by the Director of
22 Administrative Services that sufficient funds are available.

23 (3) In addition to receiving transfers from other funds, the Cash
24 Reserve Fund shall receive federal funds received by the State of
25 Nebraska for undesignated general government purposes, federal revenue
26 sharing, or general fiscal relief of the state.

27 (4) The State Treasurer shall transfer two million dollars from the
28 Governor's Emergency Cash Fund to the Cash Reserve Fund on or before June
29 30, 2024, on such dates and in such amounts as directed by the budget
30 administrator of the budget division of the Department of Administrative
31 Services.

1 (5) The State Treasurer shall transfer two hundred sixteen million
2 one hundred twenty thousand dollars from the Cash Reserve Fund to the
3 Nebraska Capital Construction Fund on or after July 1, 2022, but before
4 June 15, 2023, on such dates and in such amounts as directed by the
5 budget administrator of the budget division of the Department of
6 Administrative Services.

7 (6) The State Treasurer shall transfer one hundred eighty-two
8 million six hundred twenty-three thousand eight hundred twenty-five
9 dollars from the Cash Reserve Fund to the Nebraska Capital Construction
10 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
11 and in such amounts as directed by the budget administrator of the budget
12 division of the Department of Administrative Services.

13 (7) The State Treasurer shall transfer fifty-three million five
14 hundred thousand dollars from the Cash Reserve Fund to the Perkins County
15 Canal Project Fund on or before June 30, 2023, on such dates and in such
16 amounts as directed by the budget administrator of the budget division of
17 the Department of Administrative Services.

18 (8) No funds shall be transferred from the Cash Reserve Fund to
19 fulfill the obligations created under the Nebraska Property Tax Incentive
20 Act unless the balance in the Cash Reserve Fund after such transfer will
21 be at least equal to five hundred million dollars.

22 (9) The State Treasurer shall transfer thirty million dollars from
23 the Cash Reserve Fund to the Military Base Development and Support Fund
24 on or before June 30, 2023, but not before July 1, 2022, on such dates
25 and in such amounts as directed by the budget administrator of the budget
26 division of the Department of Administrative Services.

27 (10) The State Treasurer shall transfer eight million three hundred
28 thousand dollars from the Cash Reserve Fund to the Trail Development and
29 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on
30 such dates and in such amounts as directed by the budget administrator of
31 the budget division of the Department of Administrative Services.

1 (11) The State Treasurer shall transfer fifty million dollars from
2 the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after
3 July 1, 2022, but before July 15, 2023, on such dates and in such amounts
4 as directed by the budget administrator of the budget division of the
5 Department of Administrative Services.

6 (12) The State Treasurer shall transfer thirty million dollars from
7 the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on
8 or after July 1, 2022, but before July 15, 2023, on such dates and in
9 such amounts as directed by the budget administrator of the budget
10 division of the Department of Administrative Services.

11 (13) The State Treasurer shall transfer twenty million dollars from
12 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July
13 1, 2022, but before June 15, 2023, on such dates and in such amounts as
14 directed by the budget administrator of the budget division of the
15 Department of Administrative Services.

16 (14) The State Treasurer shall transfer twenty million dollars from
17 the Cash Reserve Fund to the Middle Income Workforce Housing Investment
18 Fund on July 15, 2022, or as soon thereafter as administratively
19 possible, and in such amounts as directed by the budget administrator of
20 the budget division of the Department of Administrative Services.

21 (15) The State Treasurer shall transfer eighty million dollars from
22 the Cash Reserve Fund to the Jobs and Economic Development Initiative
23 Fund on or after July 1, 2022, but before July 15, 2023, on such dates
24 and in such amounts as directed by the budget administrator of the budget
25 division of the Department of Administrative Services.

26 (16) The State Treasurer shall transfer twenty million dollars from
27 the Cash Reserve Fund to the Site and Building Development Fund on July
28 15, 2022, or as soon thereafter as administratively possible, and in such
29 amounts as directed by the budget administrator of the budget division of
30 the Department of Administrative Services.

31 (17) The State Treasurer shall transfer fifty million dollars from

1 the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund
2 on or after July 15, 2022, but before January 1, 2023, on such dates and
3 in such amounts as directed by the budget administrator of the budget
4 division of the Department of Administrative Services.

5 (18) The State Treasurer shall transfer fifteen million dollars from
6 the Cash Reserve Fund to the Site and Building Development Fund on or
7 before June 30, 2022, on such dates and in such amounts as directed by
8 the budget administrator of the budget division of the Department of
9 Administrative Services.

10 (19) The State Treasurer shall transfer fifty-five million dollars
11 from the Cash Reserve Fund to the Economic Recovery Contingency Fund on
12 or before June 30, 2022, on such dates and in such amounts as directed by
13 the budget administrator of the budget division of the Department of
14 Administrative Services.

15 (20) The State Treasurer shall transfer ten million dollars from the
16 Cash Reserve Fund to the School Safety and Security Fund as soon as
17 administratively possible after September 2, 2023, on such dates and in
18 such amounts as directed by the budget administrator of the budget
19 division of the Department of Administrative Services.

20 (21) The State Treasurer shall transfer ten million dollars from the
21 Cash Reserve Fund to the General Fund as soon as administratively
22 possible after June 7, 2023, on such dates and in such amounts as
23 directed by the budget administrator of the budget division of the
24 Department of Administrative Services.

25 (22) The State Treasurer shall transfer one million dollars from the
26 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as
27 administratively possible after June 7, 2023, on such dates and in such
28 amounts as directed by the budget administrator of the budget division of
29 the Department of Administrative Services.

30 (23) The State Treasurer shall transfer three million dollars from
31 the Cash Reserve Fund to the Risk Loss Trust on or before June 30, 2024,

1 on such dates and in such amounts as directed by the budget administrator
2 of the budget division of the Department of Administrative Services.

3 (24) The State Treasurer shall transfer eleven million three hundred
4 twenty thousand dollars from the Cash Reserve Fund to the Health and
5 Human Services Cash Fund on or after July 1, 2023, but on or before June
6 30, 2024, 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 (25) The State Treasurer shall transfer five hundred seventy-four
10 million five hundred thousand dollars from the Cash Reserve Fund to the
11 Perkins County Canal Project Fund on or before June 30, 2024, on such
12 dates and in such amounts as directed by the budget administrator of the
13 budget division of the Department of Administrative Services.

14 (26) The State Treasurer shall transfer one million four hundred
15 thousand dollars from the Cash Reserve Fund to the State Building
16 Revolving Fund on or before July 10, 2023, on such dates and in such
17 amounts as directed by the budget administrator of the budget division of
18 the Department of Administrative Services.

19 (27) The State Treasurer shall transfer one million one hundred
20 thousand dollars from the Cash Reserve Fund to the Accounting Division
21 Revolving Fund on or before July 10, 2023, on such dates and in such
22 amounts as directed by the budget administrator of the budget division of
23 the Department of Administrative Services.

24 (28) The State Treasurer shall transfer one million one hundred
25 fifteen thousand dollars from the Cash Reserve Fund to the Public Safety
26 Cash Fund on or after July 1, 2023, but before June 30, 2024, on such
27 dates and in such amounts as directed by the budget administrator of the
28 budget division of the Department of Administrative Services.

29 (29) The State Treasurer shall transfer one hundred million dollars
30 from the Cash Reserve Fund to the Roads Operations Cash Fund before June
31 30, 2023, on such dates and in such amounts as directed by the budget

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

3 (30) The State Treasurer shall transfer eighteen million seven
4 hundred fifty thousand dollars from the Cash Reserve Fund to the State
5 Self-Insured Indemnification Fund before June 30, 2023, on such dates and
6 in such amounts as directed by the budget administrator of the budget
7 division of the Department of Administrative Services.

8 (31) The State Treasurer shall transfer five million dollars from
9 the Cash Reserve Fund to the Nebraska Public Safety Communication System
10 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on
11 such dates and in such amounts as directed by the budget administrator of
12 the budget division of the Department of Administrative Services.

13 (32) The State Treasurer shall transfer seventy million dollars from
14 the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment
15 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
16 and in such amounts as directed by the budget administrator of the budget
17 division of the Department of Administrative Services.

18 (33) The State Treasurer shall transfer two million dollars from the
19 Cash Reserve Fund to the Site and Building Development Fund on or after
20 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
21 as directed by the budget administrator of the budget division of the
22 Department of Administrative Services.

23 (34) The State Treasurer shall transfer twenty million dollars from
24 the Cash Reserve Fund to the Economic Development Cash Fund on or after
25 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
26 as directed by the budget administrator of the budget division of the
27 Department of Administrative Services.

28 (35) The State Treasurer shall transfer zero dollars from the Cash
29 Reserve Fund to the Rural Workforce Housing Investment Fund on or after
30 July 1, 2023, but before June 30, 2024, on such dates and in such amounts
31 as directed by the budget administrator of the budget division of the

1 Department of Administrative Services.

2 (36) The State Treasurer shall transfer zero dollars from the Cash
3 Reserve Fund to the Middle Income Workforce Housing Investment Fund on or
4 after July 1, 2023, but before June 30, 2024, on such dates and in such
5 amounts as directed by the budget administrator of the budget division of
6 the Department of Administrative Services.

7 (37) The State Treasurer shall transfer two hundred forty million
8 dollars from the Cash Reserve Fund to the Economic Recovery Contingency
9 Fund on or after July 1, 2023, but before June 30, 2024, on such dates
10 and in such amounts as directed by the budget administrator of the budget
11 division of the Department of Administrative Services.

12 (38) The State Treasurer shall transfer ten million dollars from the
13 Cash Reserve Fund to the Critical Infrastructure Facilities Cash Fund on
14 or after July 1, 2023, but before June 30, 2024, on such dates and in
15 such amounts as directed by the budget administrator of the budget
16 division of the Department of Administrative Services.

17 (39) The State Treasurer shall transfer four hundred forty million
18 dollars from the General Fund to the Cash Reserve Fund on or after July
19 1, 2023, but before June 30, 2024, on such dates and in such amounts as
20 directed by the budget administrator of the budget division of the
21 Department of Administrative Services.

22 (40) The State Treasurer shall transfer zero dollars from the Cash
23 Reserve Fund to the Site and Building Development Fund on or after July
24 1, 2024, but before June 30, 2025, on such dates and in such amounts as
25 directed by the budget administrator of the budget division of the
26 Department of Administrative Services.

27 (41) The State Treasurer shall transfer one million dollars from the
28 Cash Reserve Fund to the General Fund on or after July 1, 2024, but
29 before June 30, 2025, on such dates and in such amounts as directed by
30 the budget administrator of the budget division of the Department of
31 Administrative Services.

1 (42) The State Treasurer shall transfer twenty-five million four
2 hundred fifty-eight thousand eight hundred dollars from the Cash Reserve
3 Fund to the Nebraska Capital Construction Fund on or after July 1, 2024,
4 but before June 30, 2025, on such dates and in such amounts as directed
5 by the budget administrator of the budget division of the Department of
6 Administrative Services.

7 (43) The State Treasurer shall transfer two million five hundred
8 thousand dollars from the Cash Reserve Fund to the Materiel Division
9 Revolving Fund on or after July 1, 2023, but before June 30, 2024, on
10 such dates and in such amounts as directed by the budget administrator of
11 the budget division of the Department of Administrative Services.

12 (44) The State Treasurer shall transfer ten million dollars from the
13 Cash Reserve Fund to the Youth Outdoor Education Innovation Fund on or
14 after July 1, 2023, but before June 30, 2024, on such dates and in such
15 amounts as directed by the budget administrator of the budget division of
16 the Department of Administrative Services.

17 (45) The State Treasurer shall transfer five million dollars from
18 the Cash Reserve Fund to the Municipality Infrastructure Aid Fund on or
19 after July 1, 2024, but before July 15, 2024, on such dates and in such
20 amounts as directed by the budget administrator of the budget division of
21 the Department of Administrative Services.

22 Sec. 10. Original section 84-612, Revised Statutes Supplement,
23 2023, is repealed.

24 Sec. 11. Since an emergency exists, this act takes effect when
25 passed and approved according to law.