

## LEGISLATIVE BILL 1092

Approved by the Governor April 13, 2004

Introduced by Speaker Bromm, 23; at the request of the Governor

AN ACT relating to state buildings; to amend sections 81-181, 81-188.01 to 81-188.06, 81-1108.22, and 85-414, Reissue Revised Statutes of Nebraska, and section 81-1108.15, Revised Statutes Supplement, 2002; to change and eliminate reporting and funding provisions relating to the Deferred Building Renewal Act; to provide a duty for the state building division of the Department of Administrative Services; to eliminate an office space request requirement; to prohibit the sale of the Ferguson House; to provide for the demolition of University of Nebraska Miller Hall; to harmonize provisions; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 81-181, Reissue Revised Statutes of Nebraska, is amended to read:

81-181. (1) Not later than December 15 of each year, each agency shall submit to the Governor, in the form prescribed by him or her, a report of its proposed building renewal projects for the next fiscal year. Such report shall contain the information specified in section 81-177 and shall constitute a request for the allocation of funds from the Building Renewal Allocation Fund. ~~Beginning with the submission required not later than December 15, 2002, such~~ Such report shall also constitute, as applicable, a request for the allocation of funds from the State Building Renewal Assessment Fund, University Building Renewal Assessment Fund, or State College Building Renewal Assessment Fund. The Governor shall, with the advice of the task force, allocate from such funds the sum necessary for the accomplishment of projects approved by him or her. Allocations from the Building Renewal Allocation Fund shall be made in a manner that assures accomplishment of Class I projects first, followed by accomplishment of Class II projects, and then accomplishment of Class III projects, unless doing so in a particular case would violate sound building renewal policies and practices. The amount of such allocation shall not be transferred to the agency but shall remain within, as applicable, the Building Renewal Allocation Fund, State Building Renewal Assessment Fund, University Building Renewal Assessment Fund, or State College Building Renewal Assessment Fund subject to the control of the Governor until disbursed consistent with the provisions of the Deferred Building Renewal Act.

(2) The University of Nebraska and the state colleges may include in their reports under subsection (1) of this section their proposed building renovation projects that have received approval of the Coordinating Commission for Postsecondary Education, if required pursuant to section 85-1414, for the coming fiscal year as authorized by section 81-188.03 or 81-188.05, as applicable, which shall constitute requests for allocation of funds for such proposed projects from the University Building Renewal Assessment Fund or the State College Building Renewal Assessment Fund, as applicable. The Governor, with the advice of the task force, shall allocate from the University Building Renewal Assessment Fund or the State College Building Renewal Assessment Fund, as applicable, the sum necessary for the accomplishment of the renovation projects approved by him or her. Such allocations shall not be transferred to the University of Nebraska or the state college or colleges making the request but shall remain in the University Building Renewal Assessment Fund or the State College Building Renewal Assessment Fund, as applicable, subject to the control of the Governor until disbursed pursuant to the Deferred Building Renewal Act.

Sec. 2. Section 81-188.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.01. (1) The State Building Renewal Assessment Fund is created. The fund shall be under the control of the Governor for allocation to building renewal projects of the various agencies and shall be administered in a manner consistent with the administration of the Building Renewal Allocation Fund pursuant to the Deferred Building Renewal Act. No amounts accruing to the State Building Renewal Assessment Fund shall be expended in any manner for purposes other than as provided in this section or as appropriated by the Legislature to meet the cost of administering the act.

(2) Revenue credited to the fund shall include amounts derived from charges assessed pursuant to subdivision (6)(b) of section 81-1108.17,

depreciation charges remitted pursuant to section 81-188.02, and such other revenue as may be incident to the administration of the fund.

(3) Amounts appropriated from the fund shall be expended to conduct renewal work as defined in section 81-173 and to complete other improvements incident to such renewal work as deemed necessary or appropriate by the task force. From amounts accruing to the fund as the result of depreciation charges assessed pursuant to subdivision (6)(b) of section 81-1108.17, expenditures for capital improvements shall be limited to improvements to only those facilities for which such charges have been assessed and remitted. From amounts accruing to the fund as the result of depreciation charges assessed pursuant to section 81-188.02, expenditures for capital improvement projects shall be limited to exclude (a) capital improvement projects relating to facilities, structures, or buildings owned, leased, or operated by the (i) University of Nebraska, (ii) Nebraska state colleges, (iii) Department of Aeronautics, (iv) Department of Roads, (v) Game and Parks Commission, or (vi) Board of Educational Lands and Funds and (b) capital improvement projects relating to facilities, structures, or buildings for which depreciation charges are assessed pursuant to subdivision (6)(b) of section 81-1108.17. For each fiscal year, task force allocations from amounts accruing to the fund pursuant to section 81-188.02 shall not exceed the total of such revenue credited to the fund in the preceding fiscal year, except that if no revenue from depreciation charge assessments was credited to the fund in the preceding fiscal year, allocations shall not exceed fifty percent of revenue credited to the fund in the last preceding fiscal year in which depreciation charge assessments were credited to the fund.

(4) 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.

~~(5) The State Treasurer shall transfer one million nine hundred forty-seven thousand one hundred dollars from the State Building Renewal Assessment Fund to the Nebraska Capital Construction Fund within five days after January 1, 2003.~~

~~(6) The State Treasurer shall transfer one million nine hundred forty-seven thousand one hundred dollars from the State Building Renewal Assessment Fund to the Nebraska Capital Construction Fund within five days after May 1, 2003.~~

Sec. 3. Section 81-188.02, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.02. (1) For purposes of this section, capital improvement project means (a) construction of a new facility, structure, or building, (b) construction of additions to an existing facility, structure, or building, (c) renovation of an existing facility, structure, or building if the total project cost of such renovation represents not less than fifteen percent of the value of the existing facility, structure, or building as determined by the Department of Administrative Services, (d) purchase of an existing facility, structure, or building, and (e) acquisition of a facility, structure, or building through means of conveyance other than sale and purchase.

(2) Beginning with the fiscal year that commences subsequent to the calendar year in which has occurred substantial completion of a capital improvement project as defined in subdivisions (1)(a) through (1)(c) of this section or acquisition of a capital improvement project as defined in subdivisions (1)(d) and (1)(e) of this section, the department shall assess a capital improvement depreciation charge to the agency maintaining ownership or control of the related facility, structure, or building and shall assess such charge for each fiscal year thereafter, except that no depreciation charges shall be assessed or paid pursuant to this section for the period beginning July 1, 2003, and ending June 30, ~~2004~~ 2005, and depreciation charges in the amount of one-half of the amount otherwise assessed pursuant to this section shall be assessed and paid for the period beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2007.

(3) The annual depreciation charge for a capital improvement project as defined in subdivisions (1)(a) through (1)(c) of this section shall be computed as two percent of the total project cost of the capital improvement project. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(d) of this section shall be computed as two percent of the greater of the purchase price or the value, as determined by the department, of the capital improvement project at the time of acquisition. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(e) of this section shall be computed as two percent of the value, as determined by the department, of the capital improvement project at the time of acquisition. The department may assess the charge annually or in

monthly, quarterly, or semiannual installments.

(4) Depreciation charges shall not be assessed pursuant to this section for capital improvement projects relating to facilities, structures, or buildings owned, leased, or operated by the: (i) University of Nebraska; (ii) Nebraska state colleges; (iii) Department of Aeronautics; (iv) Department of Roads; (v) Game and Parks Commission; or (vi) Board of Educational Lands and Funds or to other buildings or grounds owned, leased, or operated by the State of Nebraska which are specifically exempted by the Department of Administrative Services because the assessment of such depreciation charges would result in the ineligibility for federal funding or would result in hardship on an agency, board, or commission due to other exceptional or unusual circumstances. Depreciation charges shall not be assessed pursuant to this section for capital improvement projects relating to facilities, structures, or buildings of which the department is custodian pursuant to section 81-1108.17 and for which charges are assessed pursuant to subdivision (6) (b) of such section.

(5) Payment of depreciation charges assessed pursuant to this section shall be remitted to the State Treasurer for credit to the State Building Renewal Assessment Fund.

Sec. 4. Section 81-188.03, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.03. (1) The University Building Renewal Assessment Fund is created. The fund shall be under the control of the Governor for allocation to building renewal projects and to building renovation projects of the University of Nebraska. and shall be administered in a manner consistent with administration of the Building Renewal Allocation Fund pursuant to the Deferred Building Renewal Act. No amounts accruing to the University Building Renewal Assessment Fund shall be transferred to any other fund and no amounts accruing to the fund shall be expended in any manner for purposes other than as provided in this section or as appropriated by the Legislature to meet the cost of administering the ~~act~~ Deferred Building Renewal Act.

(2) Revenue credited to the fund shall include amounts derived from depreciation charges remitted pursuant to section 81-188.04 and such other revenue as may be incident to the administration of the fund.

(3) Amounts appropriated from the fund shall be expended to conduct renewal work as defined in section 81-173, to conduct renovation work, and to complete other improvements incident to such renewal or renovation work as deemed necessary or appropriate by the task force. Expenditures from the fund for capital improvements shall be limited to exclude expenditures for capital improvement projects relating to facilities, structures, or buildings from which revenue is derived and pledged for the retirement of revenue bonds issued under sections 85-403 to 85-411. For each fiscal year, task force allocations from the fund shall not exceed total revenue credited to the fund in the preceding fiscal year, except that if no revenue from depreciation charge assessments was credited to the fund in the preceding fiscal year, allocations shall not exceed fifty percent of revenue credited to the fund in the last preceding fiscal year in which depreciation charge assessments were credited to the fund.

(4) 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.

(5) For purposes of this section, renovation work means work to replace the interior or exterior systems of an existing building to accommodate changes in use of building space or changes in programmatic need for building space.

Sec. 5. Section 81-188.04, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.04. (1) For purposes of this section, capital improvement project means (a) construction of a new facility, structure, or building, (b) construction of additions to an existing facility, structure, or building, (c) renovation of an existing facility, structure, or building if the total project cost of such renovation represents not less than fifteen percent of the value of the existing facility, structure, or building as determined by the Department of Administrative Services, (d) purchase of an existing facility, structure, or building, and (e) acquisition of a facility, structure, or building through means of conveyance other than sale and purchase.

(2) Beginning with the fiscal year that commences subsequent to the calendar year in which has occurred substantial completion of a capital improvement project by the University of Nebraska as defined in subdivisions (1) (a) through (1) (c) of this section or acquisition of a capital improvement project by the University of Nebraska as defined in subdivisions (1) (d) and

(1)(e) of this section, the department shall assess a capital improvement depreciation charge to the Board of Regents of the University of Nebraska and shall assess such charge for each fiscal year thereafter, except that no depreciation charges shall be assessed or paid pursuant to this section for the period beginning July 1, 2003, and ending June 30, ~~2004~~ 2005, and depreciation charges in the amount of one-half of the amount otherwise assessed pursuant to this section shall be assessed and paid for the period beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2007.

(3) The annual depreciation charge for a capital improvement project as defined in subdivisions (1)(a) through (1)(c) of this section shall be computed as two percent of the total project cost of the capital improvement project. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(d) of this section shall be computed as two percent of the greater of the purchase price or the value, as determined by the department, of the capital improvement project at the time of acquisition. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(e) of this section shall be computed as two percent of the value, as determined by the department, of the capital improvement project at the time of acquisition. The department may assess the charge annually or in monthly, quarterly, or semiannual installments.

(4) Depreciation charges shall not be assessed pursuant to this section for capital improvement projects relating to facilities, structures, or buildings from which revenue is derived and pledged for the retirement of revenue bonds issued under sections 85-403 to 85-411.

(5) Payment of depreciation charges assessed pursuant to this section shall be remitted to the State Treasurer for credit to the University Building Renewal Assessment Fund.

Sec. 6. Section 81-188.05, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.05. (1) The State College Building Renewal Assessment Fund is created. The fund shall be under the control of the Governor for allocation to building renewal projects and building renovation projects of the Nebraska state colleges. ~~and shall be administered in a manner consistent with the administration of the Building Renewal Allocation Fund pursuant to the Deferred Building Renewal Act.~~ No amounts accruing to the State College Building Renewal Assessment Fund shall be transferred to any other fund and no amounts accruing to the fund shall be expended in any manner for purposes other than as provided in this section or as appropriated by the Legislature to meet the cost of administering the ~~act~~ Deferred Building Renewal Act.

(2) Revenue credited to the fund shall include amounts derived from depreciation charges remitted pursuant to section 81-188.06 and such other revenue as may be incident to administration of the fund.

(3) Amounts appropriated from the fund shall be expended to conduct renewal work as defined in section 81-173, to conduct renovation work, and to complete other improvements incident to such renewal or renovation work as deemed necessary or appropriate by the task force. Expenditures from the fund for capital improvements shall be limited to exclude expenditures for capital improvement projects relating to facilities, structures, or buildings from which revenue is derived and pledged for the retirement of revenue bonds issued under sections 85-403 to 85-411. For each fiscal year, task force allocations from the fund shall not exceed total revenue credited to the fund in the preceding fiscal year, except that if no revenue from depreciation charge assessments was credited to the fund in the preceding fiscal year, allocations shall not exceed fifty percent of revenue credited to the fund in the last preceding fiscal year in which depreciation charge assessments were credited to the fund.

(4) 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.

(5) For purposes of this section, renovation work means work to replace the interior or exterior systems of an existing building to accommodate changes in use of building space or changes in programmatic need for building space.

Sec. 7. Section 81-188.06, Reissue Revised Statutes of Nebraska, is amended to read:

81-188.06. (1) For purposes of this section, capital improvement project means (a) construction of a new facility, structure, or building, (b) construction of additions to an existing facility, structure, or building, (c) renovation of an existing facility, structure, or building if the total project cost of such renovation represents not less than fifteen percent of the value of the existing facility, structure, or building as determined by the Department of Administrative Services, (d) purchase of an existing

facility, structure, or building, and (e) acquisition of a facility, structure, or building through means of conveyance other than sale and purchase.

(2) Beginning with the fiscal year that commences subsequent to the calendar year in which has occurred substantial completion of a capital improvement project by the Nebraska state colleges as defined in subdivisions (1)(a) through (1)(c) of this section or acquisition of a capital improvement project by the Nebraska state colleges as defined in subdivisions (1)(d) and (1)(e) of this section, the department shall assess a depreciation charge to the Board of Trustees of the Nebraska State Colleges and shall assess such charge for each fiscal year thereafter, except that no depreciation charges shall be assessed or paid pursuant to this section for the period beginning July 1, 2003, and ending June 30, ~~2004~~ 2005, and depreciation charges in the amount of one-half of the amount otherwise assessed pursuant to this section shall be assessed and paid for the period beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2007.

(3) The annual depreciation charge for a capital improvement project as defined in subdivisions (1)(a) through (1)(c) of this section shall be computed as two percent of the total project cost of the capital improvement project. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(d) of this section shall be computed as two percent of the greater of the purchase price or the value, as determined by the department, of the capital improvement project at the time of acquisition. The annual depreciation charge for a capital improvement project as defined in subdivision (1)(e) of this section shall be computed as two percent of the value, as determined by the department, of the capital improvement project at the time of acquisition. The department may assess the charge annually or in monthly, quarterly, or semiannual installments.

(4) Depreciation charges shall not be assessed pursuant to this section for capital improvement projects relating to facilities, structures, or buildings from which revenue is derived and pledged for the retirement of revenue bonds issued under sections 85-403 to 85-411.

(5) Payment of depreciation charges assessed pursuant to this section shall be remitted to the State Treasurer for credit to the State College Building Renewal Assessment Fund.

Sec. 8. Section 81-1108.15, Revised Statutes Supplement, 2002, is amended to read:

81-1108.15. (1) The division shall have the primary functions and responsibilities of statewide facilities planning, facilities construction, and facilities administration and shall adopt and promulgate rules and regulations to carry out this section.

(2) Facilities planning shall include the following responsibilities and duties:

- (a) To maintain utilization records of all state-owned, state-occupied, and vacant facilities;
- (b) To coordinate comprehensive capital facilities planning;
- (c) To define and review program statements based on space utilization standards;
- (d) To prepare or review planning and construction documents;
- (e) To develop and maintain time-cost schedules for capital construction projects;
- (f) To assist the Governor and the Legislative Fiscal Analyst in the preparation of the capital construction budget recommendations;
- (g) To maintain a complete inventory of all state-owned, state-occupied, and vacant sites and structures and to review the proposals for naming such sites and structures;
- (h) To determine space needs of all state agencies and establish space-allocation standards; and
- (i) To cause a state comprehensive capital facilities plan to be developed.

(3) Facilities construction shall include the following powers and duties:

- (a) To maintain close contact with and inspections of each project so as to assure execution of time-cost schedules and efficient contract performance if such project's total design and construction cost is more than fifty thousand dollars;
- (b) To perform final acceptance inspections and evaluations; and
- (c) To coordinate all change or modification orders and progress payment orders.

(4) Facilities administration shall include the following powers and duties:

- (a) To serve as state leasing administrator or agent for all

facilities to be leased for use by the state and for all state-owned facilities to be rented to state agencies or other parties subject to section 81-1108.22. The division shall remit the proceeds from any rentals of state-owned facilities to the State Treasurer for credit to the State Building Revolving Fund and the State Building Renewal Assessment Fund;

(b) To provide all maintenance, repairs, custodial duties, security, and administration for all buildings and grounds owned or leased by the State of Nebraska except as provided in subsection (5) of this section;

(c) To procure and manage office space and assign the remaining office space after the Executive Board of the Legislative Council has made its determination pursuant to subsection (1) of section 81-1108.21;

(d) To be responsible for adequate parking and the designation of parking stalls or spaces, including access aisles, in offstreet parking facilities for the exclusive use of handicapped or disabled or temporarily handicapped or disabled persons pursuant to section 18-1737;

(e) To ensure that all state-owned, state-occupied, and vacant facilities are maintained or utilized to their maximum capacity or to dispose of such facilities through lease, sale, or demolition;

(f) To report annually to the Appropriations Committee of the Legislature and the Committee on Building Maintenance regarding the amount of property leased by the state and the availability of state-owned property for the needs of state agencies;

(g) To report monthly time-cost data on projects to the Governor and the Clerk of the Legislature;

~~(g)~~ (h) To administer the State Emergency Capital Construction Contingency Fund;

~~(h)~~ (i) To submit status reports to the Governor and the Legislative Fiscal Analyst after each quarter of a construction project is completed detailing change orders and expenditures to date. Such reports shall be required on all projects costing five hundred thousand dollars or more and on such other projects as may be designated by the division; and

~~(i)~~ (j) To submit a final report on each project to the Governor and the Legislative Fiscal Analyst. Such report shall include, but not be limited to, a comparison of final costs and appropriations made for the project, change orders, and modifications and whether the construction complied with the related approved program statement. Such reports shall be required on all projects costing five hundred thousand dollars or more and on such other projects as may be designated by the division.

(5) Subdivisions (4)(b), (d), and (e) of this section shall not apply to (a) state-owned facilities to be rented to state agencies or other parties by the University of Nebraska, the Nebraska state colleges, the Department of Aeronautics, the Department of Roads, and the Board of Educational Lands and Funds, (b) buildings and grounds owned or leased for use by the University of Nebraska, the Nebraska state colleges, and the Board of Educational Lands and Funds, (c) buildings and grounds owned, leased, or operated by the Department of Correctional Services, (d) facilities to be leased for nonoffice use by the Department of Roads, (e) buildings or grounds owned or leased by the Game and Parks Commission if the application of such subdivisions to the buildings or grounds would result in ineligibility for or repayment of federal funding, (f) buildings or grounds of the state park system, state recreation areas, state historical parks, state wildlife management areas, or state recreational trails, or (g) other buildings or grounds owned or leased by the State of Nebraska which are specifically exempted by the division because the application of such subdivisions would result in the ineligibility for federal funding or would result in hardship on an agency, board, or commission due to other exceptional or unusual circumstances, except that nothing in this subdivision shall prohibit the assessment of building rental depreciation charges to tenants of facilities owned by the state and under the direct control and maintenance of the division.

(6) Each member of the Legislature shall receive a copy of the reports required by subdivisions (4)(f), ~~(h)~~, and (i) (g), (i), and (j) of this section by making a request for them to the administrator. The information on such reports shall be submitted to the division by the agency responsible for the project.

Sec. 9. Section 81-1108.22, Reissue Revised Statutes of Nebraska, is amended to read:

81-1108.22. (1) The division shall have the responsibility of providing office space in leased and state-owned buildings in the proximity of the State Capitol and in other locations.

(2) When any board, agency, commission, or department of the state government not otherwise specifically authorized by law desires to use funds

available for the purpose of renting office space outside of the State Capitol, it shall submit a request to the Director of Administrative Services, accompanied by a certificate from the Committee on Building Maintenance that there is no state-owned property which is adequate or which through cost-effective renovation, as determined by the division, could be made adequate to meet the needs of the board, agency, commission, or department. If the director approves the lease, the terms and location shall be approved by the director and the administrator in writing and the leases shall be entered into and administered by the administrator on behalf of the board, agency, commission, or department. A copy of all such lease contracts shall be kept on file by the state building division and shall be open to inspection by the Legislature and the public during normal business hours.

(3) The administrator shall develop a system of charges to cover basic rental, maintenance, renovations, and operation of such leased and owned properties. The charges to state agencies, boards, commissions, or departments of state government shall be paid from funds available for the purpose of renting space on a regular basis and placed, as applicable, in the State Building Revolving Fund, which fund is hereby created, and the State Building Renewal Assessment Fund. The administrator shall make payments for basic rentals, renovations, and maintenance and operational costs of all leased and owned buildings from the State Building Revolving Fund.

(4) The charges for such leased and owned properties shall only be adjusted by the administrator on July 1. Prior to any adjustment in the system of charges, the Department of Administrative Services, on or before December 1 of the year preceding the effective date of such adjustment, shall provide written notification to the Committee on Building Maintenance, the Clerk of the Legislature, and the Legislative Fiscal Analyst of the proposed adjustment to the system of charges.

(5) Commencing on April 18, 1992, all leases of real property entered into by any state agency, board, commission, or department shall be subject to this section. Leases held by a state agency, board, commission, or department on such date shall be valid until the lease contract is terminated or is subject to renewal. The division shall monitor all such leases and determine when the lease is subject to renewal. Once the determination is made, the division shall cancel the lease as of the renewal date and shall treat the need of the agency, board, commission, or department as an original request for space and subject to this section. This subsection shall not apply to (a) state-owned facilities to be rented to state agencies or other parties by the University of Nebraska, the Nebraska state colleges, the Department of Aeronautics, the Department of Roads, and the Board of Educational Lands and Funds, (b) facilities to be leased for use by the University of Nebraska, the Nebraska state colleges, and the Board of Educational Lands and Funds, (c) facilities to be leased for nonoffice use by the Department of Roads, or (d) facilities controlled by the State Department of Education, which were formerly controlled by the Nebraska School for the Visually Handicapped, to be rented to state agencies or other parties by the department.

Sec. 10. The Department of Administrative Services shall not sell the property known as the Ferguson House and the appurtenant carriage house located at 700 South 16th Street, Lincoln, Nebraska. The legal description of this property is lots 4, 5, and 6, block 153, original plat, Lincoln, Lancaster County, Nebraska.

Sec. 11. Section 85-414, Reissue Revised Statutes of Nebraska, is amended to read:

85-414. (1) Beginning with the fiscal year commencing July 1, 1999, and continuing through the fiscal year ending June 30, 2009, the Legislature shall appropriate each fiscal year from the General Fund an amount not less than five million five hundred thousand dollars to the University of Nebraska Facilities Program to be used by the Board of Regents of the University of Nebraska 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 University of Nebraska Facilities Program at the end of each fiscal year until June 30, 2012, shall be and are hereby reappropriated.

(2) The Legislature finds and determines that the projects funded through the University of Nebraska 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, 2009, nor shall the cumulative total of the General Fund appropriations for the program exceed fifty-five million dollars.

(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 University of Nebraska projects, the Board of Regents of the University of Nebraska is authorized to make expenditures from the University of Nebraska Facilities Program for the following projects: (a) Deferred maintenance, repair, and renovation of University of Nebraska at Kearney Bruner Hall; (b) deferred maintenance, repair, and renovation of University of Nebraska at Kearney Otto Olson Vocational Arts Building; (c) deferred maintenance, repair, and renovation of University of Nebraska-Lincoln Love Library; (d) deferred maintenance, repair, and renovation of University of Nebraska-Lincoln Snyder Building at the West Central Research Extension Center; (e) construction of a facility to replace University of Nebraska-Lincoln Lyman Hall and Bancroft Hall; (f) construction of a facility to replace University of Nebraska-Lincoln Biochemistry Building; (g) deferred maintenance, repair, and renovation of University of Nebraska-Lincoln Hamilton Hall; (h) deferred maintenance, repair, and renovation of University of Nebraska-Lincoln Avery Hall; (i) deferred maintenance, repair, and renovation of University of Nebraska Medical Center Poynter Hall; (j) deferred maintenance, repair, and renovation of University of Nebraska Medical Center Swanson Hall, Bennet Hall, and Service Building; (k) deferred maintenance, repair, and renovation of University of Nebraska Medical Center Library housed in Wittson Hall; (l) deferred maintenance, repair, and renovation of University of Nebraska at Omaha Allwine Hall; ~~and~~ (m) deferred maintenance, repair, and renovation of University of Nebraska at Omaha Arts and Sciences Hall, and (n) demolition of University of Nebraska Miller Hall.

(4) Expenditures of matching funds provided for the projects listed in this section by the Board of Regents of the University of Nebraska as provided for in section 85-412 shall be accounted for in the Nebraska State Accounting System through the University of Nebraska Facilities Program or according to some other reporting process mutually agreed upon by the University of Nebraska and the Department of Administrative Services.

(5) The Board of Regents of the University of Nebraska shall record and report, on the Nebraska State Accounting System, expenditure of amounts from the University of Nebraska Facilities Program and expenditure of proceeds arising from any contract entered into pursuant to this section and section 85-415 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 University of Nebraska and the Department of Administrative Services.

(6) The Board of Regents of the University of Nebraska shall provide to the Task Force for Building Renewal semiannual reports concerning the status of each project authorized by this section.

Sec. 12. Original sections 81-181, 81-188.01 to 81-188.06, 81-1108.22, and 85-414, Reissue Revised Statutes of Nebraska, and section 81-1108.15, Revised Statutes Supplement, 2002, are repealed.

Sec. 13. Since an emergency exists, this act takes effect when passed and approved according to law.