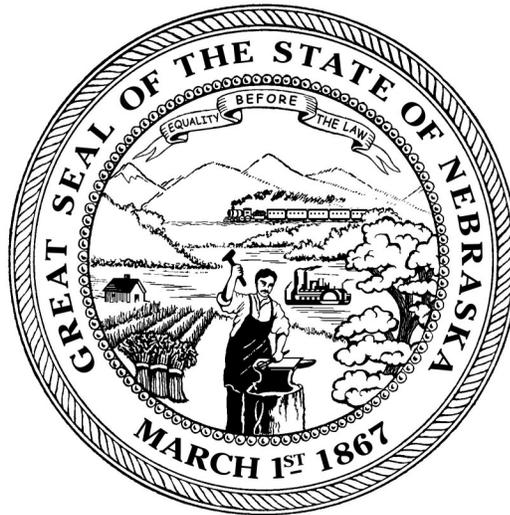


**State of Nebraska**



# **Executive Budget in Brief 2015-2017 Biennium**



**Pete Ricketts**  
Governor

January 22, 2015



# **Executive Budget in Brief**

## **2015 - 2017 Biennium**

Presented by  
Administrative Services – State Budget Division  
Room 1320, State Capitol  
Lincoln, Nebraska 68509  
(402) 471-2526  
[budget.nebraska.gov](http://budget.nebraska.gov)

Presented January 22, 2015

A complete copy of State agencies, boards and commissions' FY 2014-15 supplemental appropriation requests and 2015-2017 biennial budget requests are available on the State Budget Division website at [budget.nebraska.gov](http://budget.nebraska.gov).

This Executive Budget in Brief, 2015-2017 Biennium and Executive Budget, 2015-2017 Biennium are available on the State Budget Division website at [budget.nebraska.gov](http://budget.nebraska.gov). The Executive Budget, 2015-2017 Biennium provides a summary report at the agency and program level of agency vision, mission, goals, historical appropriation/spending, and requested amounts for the 2015-2017 biennium. This publication also includes the Governor's appropriation recommendation for each program for the 2015-2017 biennium. The number referenced behind each agency in the narrative section may be useful in cross-referencing information presented in other sections of the Executive Budget in Brief, 2015-2017 Biennium and Executive Budget, 2015-2017 Biennium publications.

Pursuant to section 81-125, R.R.S. 2014 and sections 77-385 and 77-5731, Revised Statutes Supplement 2014, the following Nebraska Department of Revenue reports are included with the budget presented by the Governor to the Legislature as supplemental information:

- State of Nebraska, Tax Expenditure Report, 2014:  
[http://www.revenue.nebraska.gov/research/tax\\_expenditure\\_rep/2014/contents.html](http://www.revenue.nebraska.gov/research/tax_expenditure_rep/2014/contents.html)
- Nebraska Tax Incentives, 2013 Annual Report to the Nebraska Legislature:  
[http://www.revenue.nebraska.gov/incentiv/annrep/13an\\_rep/13\\_annrp.html](http://www.revenue.nebraska.gov/incentiv/annrep/13an_rep/13_annrp.html)

Additional summary tables regarding the current and recommended appropriations for State agencies, boards and commissions are also available at [budget.nebraska.gov](http://budget.nebraska.gov).



**Pete Ricketts**  
Governor

# STATE OF NEBRASKA

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January 22, 2015

Mr. President, Mr. Speaker,  
and members of the Legislature  
State Capitol Building  
Lincoln, NE 68509

Dear Mr. President and Members of the Legislature:

Today I am presenting my budget recommendations for the 2015-2017 biennium including an additional \$120 million in direct property tax relief, an increase of \$60 million each year, as my top priority for your consideration. This is a 43% increase in State financed direct property tax relief, and brings the total tax relief each year from the Property Tax Credit Fund to \$200 million, or \$400 million for the biennium. The message from Nebraskans is clear as I travel across the state: Nebraskans are seeking relief from high property taxes.

I am supporting a reduction in the assessed valuation of agricultural and horticultural land for taxation purposes from 75% of actual value to 65% of actual value. My budget allocates \$9.5 million in FY 2016-17 for this purpose and also anticipates allocating \$19 million in FY 2017-18 and \$30 million in FY 2018-19.

I appreciate the 103<sup>rd</sup> Legislature's effort in 2014 to assist Nebraska veterans by excluding a portion of their military retirement benefit income from taxation. However, I have heard from veterans across Nebraska that the benefit of last year's legislation fell short of reaching them. I support your consideration and enactment of legislation to enhance this benefit for Nebraska military retirees. My budget includes \$23 million to improve this support for our veterans. I look forward to working with the Revenue Committee on this important matter.

Nebraska's historical average tax revenue growth rate of 5.0 percent, Nebraskans' desire for lower taxes, and our goals to create jobs leading to continued economic prosperity in Nebraska establish a framework for our decision-making about spending by state government. My budget recommendations for the 2015-2017 biennium represent a two-year average growth in General Fund spending of 3.1%. A concerted effort on our part to restrain spending will create our next and continuing opportunities for reducing the tax burden in Nebraska.

The state's resilient and growing economy has produced excess tax revenues and a state Cash Reserve Fund now estimated to exceed \$740 million. I have exercised great caution and today create no additional obligations that rely on the state Cash Reserve Fund. However, it is clear that with continued spending restraint and a growing reserve of excess tax receipts, the opportunity for additional and continued tax relief for our citizens is within reach.

My recommendations include an increase of \$71 million in state aid through the state's primary school aid funding formula (TEEOSA). This represents a 3.0% increase in FY 2015-16 and 1.6% in FY 2016-17, as estimated by the Nebraska Department of Education in November 2014. In addition, I am recommending an additional \$16.2 million for state aid for special education which represents an increase of 2.5% each year. My recommendations for the University of Nebraska, Nebraska State College System, and community colleges provide a state funding increase of 3.0%.

Mr. President, Mr. Speaker,  
and members of the Legislature  
January 22, 2015  
Page 2

Most of the increase in funding of the Department of Health and Human Services, and the state budget for that matter, is a result of existing and new federal requirements related to our participation in the Medicaid program. The increase in the state General Fund appropriation for Medicaid is \$63.1 million, or 8.1% for FY 2015-16 alone.

My recommendations for the Department of Corrections include \$10.8 million in the current fiscal year and an additional \$45.7 million for the 2015-2017 biennium to address the operational costs of our prison system. I am excited to have a new leader in the Department of Corrections and I look forward to working with my new Corrections Director and the Legislature as we consider necessary improvements in the corrections system.

As you begin your work on the next biennial state budget I ask you to join me in providing direct property tax relief as priority one. I look forward to working with you and am hopeful that your use of Nebraska's conservative fiscal approach to development of the state budget will lead to greater opportunity and prosperity for the citizens of Nebraska.

Sincerely,

Pete Ricketts  
Governor

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# General Fund Financial Status

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The General Fund Financial Status provides a summary of the State's financial condition including the impact of the Governor's budget recommendations for FY 2014-15 and the 2015-2017 biennium. While Nebraska operates with a biennial budget, the version of the Status shown in this document includes an additional two years of estimated revenues and appropriations for planning purposes.

The revenue portion of the Status shows the net General Fund tax receipts for the current fiscal year and the next biennium that were adopted by the Economic Forecasting Advisory Board at its meeting in October 2014. The net receipts projected for the following biennium were presented to the Tax Rate Review Committee in November of 2014 by the Legislative Fiscal Office.

Certain transfers are proposed to the General Fund in FY 2014-15 and in the 2015-2017 biennium. A transfer of \$17.2 million from the Cash Reserve Fund to pay federal disallowances is proposed in FY 2014-15. Certain transfers are proposed in FY 2015-16: Securities Act Cash Fund - \$23.0 million; Tobacco Products Administration Cash Fund - \$13.0 million, Insurance Cash Fund - \$6.0 million; Charitable Gaming Operations Fund - \$2.0 million, Convention Center Support Fund - \$150,000 and Severance Tax Administration Fund - \$150,000. Certain transfers are proposed in FY 2016-17: Securities Act Cash Fund - \$23.0 million; Tobacco Products Administration Cash Fund - \$10.0 million; Insurance Cash Fund - \$6.0 million; and Severance Tax Administration Cash Fund - \$150,000.

The Governor recommends transfers from the General Fund in both FY 2015-16 and FY 2016-17: Property Tax Credit Cash Fund - \$198.0 million; Water Sustainability Cash Fund - \$11.0 million; Water Resources Cash Fund - \$3.3 million; and Cultural Preservation Endowment - \$750,000.

The appropriations shown for the current fiscal year 2014-15 are those adopted during the 2013 regular session and further amended during the 2014 regular session of the 103rd Legislature. The Status also reflects a recommended reduction of \$1.5 million in FY 2014-15 reappropriations, an increase of \$28.4 million in FY 2014-15 appropriations, and a \$2.2 million allocation for the 2015 claims bill for consideration during the 2015 session of the 104th Legislature. The Governor's budget recommendations for FY 2015-16 and FY 2016-17 of the next biennium are also shown. The Governor's recommendations provide for a two year average General Fund increase of 3.1%. The General Fund balance for the 2015-2017 biennium exceeds the minimum reserve requirement by \$22.5 million.

The planning estimates for the following biennium 2017-2019 set future allowable spending growth at 3.5% and leave a General Fund balance in excess of the minimum reserve requirement.



## Cash Reserve Fund Status

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The Cash Reserve Fund was created in 1983 to provide a source of funds for temporary transfers to the State General Fund when balances are not sufficient to process expenditure transactions. There have been several instances in which money was moved to and from the Cash Reserve Fund to accomplish policy initiatives. The Legislature has also used the Cash Reserve Fund to finance one-time new capital construction projects. Current law provides that actual General Fund revenues in excess of the certified forecast at the end of the fiscal year are to be transferred to the Cash Reserve Fund. There are no requirements for a minimum or maximum balance in the Cash Reserve Fund.

FY 2013-14 actual net General Fund tax receipts exceeded the FY 2013-14 certified forecast by \$96.7 million. That amount was automatically transferred by operation of state law to the separate Cash Reserve Fund in July 2014. In October 2014, the Nebraska Economic Forecasting Advisory Board increased its estimate of net General Fund tax receipts for FY 2014-15 by \$61.5 million which is shown as an automatic transfer to the Cash Reserve Fund in FY 2015-16.

Transfers to/from the Cash Reserve Fund scheduled under current law for FY 2014-15 include: \$57.5 million to the Nebraska Capital Construction Fund and \$50.5 million to the General Fund.

The Governor's 2015 Legislative Session recommendations for current FY 2014-15 include a transfer of \$17.2 million from the Cash Reserve Fund to the General Fund to pay federal disallowances and up to \$5.5 million to pay a court ordered settlement of the Kansas v. Nebraska Republican River litigation.

The Governor's recommendations do not include transfers from the Cash Reserve Fund in the 2015-2017 biennium.

The projected ending balance for the Cash Reserve Fund is \$746 million. No additional transfers from the Cash Reserve Fund are recommended.

## Cash Reserve Fund Status

	Current FY2014-15	Next Biennium		Following Biennium	
		FY2015-16	FY2016-17	FY2017-18	FY2018-19
<b>Beginning Balance</b>	719,065,306	684,819,967	746,319,967	746,319,967	746,319,967
Transfer Amounts Above Forecasts	96,721,232	61,500,000			
To/From General Fund	(50,500,000)				
To State Patrol Cash Fund (correction)	(250,000)				
To NCCF for Central NE Veterans Home	(43,015,459)				
To NCCF for Capitol courtyard fountains and HVAC	(14,500,000)				
To General Fund (2015 Session)	(17,201,112)				
To Republican River Compact Litigation Fund (2015 Session)	(5,500,000)				
<b>Ending Balance</b>	684,819,967	746,319,967	746,319,967	746,319,967	746,319,967

## Proposed General Fund and Cash Reserve Fund Transfers

### General Fund Transfers Out

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Description	FY2015-16	FY2016-17
Transfer to Property Tax Credit Cash Fund	138,000,000	138,000,000
Transfer to Property Tax Credit Cash Fund - 2015 Session Increase	60,000,000	60,000,000
Transfer to Water Resources Cash Fund	3,300,000	3,300,000
Transfer to Water Sustainability Cash Fund	11,000,000	11,000,000
Transfer to Cultural Preservation Endowment	750,000	750,000
<b>Total</b>	<b>213,050,000</b>	<b>213,050,000</b>

### General Fund Transfers In

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Description	FY2015-16	FY2016-17
Transfer from Convention Center Support Fund	150,000	0
Transfer from Tobacco Products Administration Cash Fund	13,000,000	10,000,000
Transfer from Securities Act Cash Fund	23,000,000	23,000,000
Transfer from Department of Insurance Cash Fund	6,000,000	6,000,000
Transfer from Charitable Gaming Operations Fund	2,000,000	0
Transfer from Severance Tax Administration Cash Fund	150,000	150,000
<b>Total</b>	<b>44,300,000</b>	<b>39,150,000</b>

### Cash Reserve Fund Transfers

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Description	FY2014-15	FY2015-16	FY2016-17
Transfer to General Fund	17,201,112		
Transfer to Republican River Compact Litigation Cash Fund	5,500,000		

## Budget Adjustments: Agency Operations

General Fund Only

Agency Name	FY 2015-16 over FY 2014-15	FY 2015-16 Annual % Chg	FY 2016-17 over FY 2015-16	FY 2016-17 Annual % Chg	FY 2016-17 over FY 2014-15	% of FY 2016- 17 Total
University of Nebraska	16,284,507	3.00%	16,773,041	3.00%	33,057,548	31.95%
Correctional Services	19,946,177	10.97%	5,766,679	2.86%	25,712,856	24.85%
Health and Human Services	14,006,693	5.96%	6,884,172	2.76%	20,890,865	20.19%
Supreme Court	7,134,261	4.77%	4,527,230	2.89%	11,661,491	11.27%
State Colleges	1,481,881	3.00%	1,526,337	3.00%	3,008,218	2.91%
State Patrol	1,924,999	3.40%	(13,524)	-0.02%	1,911,475	1.85%
Revenue	189,295	0.72%	775,691	2.91%	964,986	0.93%
Legislative Council	508,811	2.66%	395,457	2.02%	904,268	0.87%
Game and Parks Comm.	579,709	5.20%	267,067	2.28%	846,776	0.82%
Administrative Services	488,950	6.25%	281,035	3.38%	769,985	0.74%
Attorney General	668,762	11.86%	(102,074)	-1.62%	566,688	0.55%
Economic Development	375,777	7.67%	81,743	1.55%	457,520	0.44%
Governor	372,215	19.80%	49,657	2.21%	421,872	0.41%
Natural Resources	204,145	1.88%	172,287	1.56%	376,432	0.36%
Educational Telecommunications Comm.	251,212	2.55%	86,378	0.86%	337,590	0.33%
Agriculture	260,877	4.41%	59,385	0.96%	320,262	0.31%
Environmental Quality	115,741	3.41%	91,694	2.61%	207,435	0.20%
Military Department	125,586	2.94%	74,201	1.69%	199,787	0.19%
Crime Commission	123,016	3.32%	73,001	1.91%	196,017	0.19%
Fire Marshal	108,875	2.66%	83,668	1.99%	192,543	0.19%
Foster Care Review	146,598	9.07%	39,992	2.27%	186,590	0.18%
Library Commission	86,800	3.38%	68,650	2.58%	155,450	0.15%
Education	(249,008)	-1.21%	396,858	1.95%	147,850	0.14%
State Auditor	89,554	3.90%	51,331	2.15%	140,885	0.14%
Public Service Commission	50,278	2.07%	49,810	2.01%	100,088	0.10%
Secretary of State	66,028	4.41%	29,349	1.88%	95,377	0.09%
Tax Equalization and Review Comm.	73,829	10.11%	20,087	2.50%	93,916	0.09%
Postsecondary Education Coord. Comm.	41,260	3.12%	26,184	1.92%	67,444	0.07%
Liquor Control Commission	28,270	2.70%	20,932	1.95%	49,202	0.05%
Parole Board	25,708	3.02%	20,029	2.29%	45,737	0.04%
Deaf and Hard of Hearing Comm.	30,378	3.47%	14,921	1.65%	45,299	0.04%
Veterans Affairs	15,837	1.29%	27,651	2.22%	43,488	0.04%
Equal Opportunity Comm.	(1,428)	-0.12%	37,227	3.14%	35,799	0.03%
Labor	18,342	2.76%	12,529	1.84%	30,871	0.03%
Blind and Visually Impaired Comm.	12,705	1.46%	5,888	0.67%	18,593	0.02%
Accountability and Disclosure Comm.	9,040	1.93%	8,886	1.86%	17,926	0.02%
Industrial Relations Comm.	7,076	2.26%	5,130	1.60%	12,206	0.01%
Educational Lands and Funds	7,339	2.28%	4,859	1.48%	12,198	0.01%
Latino-American Comm.	6,614	3.46%	4,765	2.41%	11,379	0.01%
Indian Affairs	5,261	2.53%	3,931	1.84%	9,192	0.01%
Lieutenant Governor	2,728	1.89%	1,293	0.88%	4,021	0.0039%
State Treasurer	(17,943)	-1.38%	18,388	1.43%	445	0.0004%
Aeronautics	0	0.00%	0	0.00%	0	0.00%
Racing Commission	0	0.00%	0	0.00%	0	0.00%
Arts Council	13,681	2.26%	(14,125)	-2.29%	(444)	-0.0004%
Power Review Board	(200,000)	-100.00%	0	0.00%	(200,000)	-0.19%
Tourism Commission	(250,000)	-100.00%	0	0.00%	(250,000)	-0.24%
Historical Society	(29,932)	-0.61%	(382,461)	-7.80%	(412,393)	-0.40%
<b>Total Operations Changes</b>	<b>65,140,504</b>	<b>4.71%</b>	<b>38,325,229</b>	<b>2.65%</b>	<b>103,465,733</b>	

## Budget Adjustments: Aid to Local Governments, Individuals and Other

General Fund Only

Type	FY 2015-16 over	FY 2015-16	FY 2016-17 over	FY 2016-17	FY 2016-17 over	% of FY 2016-
	FY 2014-15	Annual % Chg	FY 2015-16	Annual % Chg	FY 2014-15	17 Total
Medicaid	63,097,905	8.11%	41,195,424	4.90%	104,293,329	69.43%
TEEOSA State Aid	25,043,158	2.74%	12,940,375	1.38%	37,983,533	25.29%
Developmental Disabilities Aid	8,067,201	5.89%	4,580,746	3.16%	12,647,947	8.42%
Special Education	5,344,199	2.50%	5,477,804	2.50%	10,822,003	7.20%
Public Assistance	5,644,135	5.12%	1,343,129	1.16%	6,987,264	4.65%
Child Welfare Aid	3,368,916	2.45%	2,728,936	1.93%	6,097,852	4.06%
Aid to Community Colleges	2,851,211	3.00%	2,936,746	3.00%	5,787,957	3.85%
Behavioral Health Aid	1,850,629	2.74%	1,887,642	2.72%	3,738,271	2.49%
Teachers Retirement	1,045,622	2.50%	255,901	0.60%	1,301,523	0.87%
Judges Retirement	655,849	697.71%	(125,849)	-16.78%	530,000	0.35%
Aid to Aging	189,269	2.00%	193,055	2.00%	382,324	0.25%
Public Health Aid	350,000	8.12%	0	0.00%	350,000	0.23%
Military Tuition Assistance	120,000	24.55%	0	0.00%	120,000	0.08%
School Breakfast	81,318	17.95%	26,716	5.00%	108,034	0.07%
Early Childhood Provider Aid	42,300	33.39%	0	0.00%	42,300	0.03%
Library Development	8,487	0.70%	170	0.01%	8,657	0.01%
GED Program Aid	0	0.00%	0	0.00%	0	0.00%
Niobrara Council	0	0.00%	0	0.00%	0	0.00%
Summer Food Service Aid	0	0.00%	0	0.00%	0	0.00%
GROW Nebraska	0	0.00%	0	0.00%	0	0.00%
Business Innovation Act	0	0.00%	0	0.00%	0	0.00%
Health Aid	0	0.00%	0	0.00%	0	0.00%
Aid to the Arts	0	0.00%	0	0.00%	0	0.00%
Victim/Witness Assistance	0	0.00%	0	0.00%	0	0.00%
Nebraska Opportunity Grant Prog.	0	0.00%	0	0.00%	0	0.00%
Violence Prevention Grants	0	0.00%	0	0.00%	0	0.00%
Nurturing Healthy Behaviors Aid	0	0.00%	0	0.00%	0	0.00%
Vocational and Life Skills Aid	0	0.00%	0	0.00%	0	0.00%
ESU Distance Education	0	0.00%	0	0.00%	0	0.00%
Superfund	0	0.00%	0	0.00%	0	0.00%
School Lunch	0	0.00%	0	0.00%	0	0.00%
County Juvenile Services Aid	0	0.00%	0	0.00%	0	0.00%
Storm Water Mgmt. Grants	0	0.00%	0	0.00%	0	0.00%
Textbook Loans	0	0.00%	0	0.00%	0	0.00%
Governor's Emergency Fnd	0	0.00%	0	0.00%	0	0.00%
ESU Core Services/Technology	0	0.00%	0	0.00%	0	0.00%
Crime Stoppers	0	0.00%	0	0.00%	0	0.00%
Blind and Visually Impaired Aid	0	0.00%	0	0.00%	0	0.00%
Crime Victims' Reparations	0	0.00%	0	0.00%	0	0.00%
Medical Student Assistance	0	0.00%	0	0.00%	0	0.00%
Vocational & Adult Education	0	0.00%	0	0.00%	0	0.00%
Juvenile Services Aid	0	0.00%	0	0.00%	0	0.00%
Vocational Rehabilitation	0	0.00%	0	0.00%	0	0.00%
Water & Soil Conservation	0	0.00%	0	0.00%	0	0.00%
Access College Early Prog.	0	0.00%	0	0.00%	0	0.00%
CASA Grants	(200,000)	-100.00%	0	0.00%	(200,000)	-0.13%
Tourism Marketing Assistance	(250,000)	-100.00%	0	0.00%	(250,000)	-0.17%
Interrelated Water Mgmt. Grants	(350,000)	-100.00%	0	0.00%	(350,000)	-0.23%
Homestead Exemption	(2,521,000)	-3.43%	2,000,000	2.82%	(521,000)	-0.35%
Learning Community Aid	(725,000)	-100.00%	0	0.00%	(725,000)	-0.48%
Patrol Retirement	284	0.01%	(1,453,058)	-31.23%	(1,452,774)	-0.97%
Early Childhood Programs	(3,415,000)	-36.98%	0	0.00%	(3,415,000)	-2.27%
Natural Resources Devl. Fund	(10,492,793)	-76.97%	(2,553,815)	-81.32%	(13,046,608)	-8.69%
Children's Health Insurance	(15,157,370)	-55.00%	(5,877,717)	-47.39%	(21,035,087)	-14.00%
<b>Total Aid Changes</b>	<b>84,649,320</b>	<b>3.14%</b>	<b>65,556,205</b>	<b>2.36%</b>	<b>150,205,525</b>	

## Budget Adjustments: Major Categories

General Fund Only

Type	FY 2015-16 over FY 2014-15	FY 2015-16 Annual % Chg	FY 2016-17 over FY 2015-16	FY 2016-17 Annual % Chg	FY 2016-17 over FY 2014-15	% of FY 2016- 17 Total
<b>Agency Operations</b>	65,140,504	4.71%	38,325,229	2.65%	103,465,733	41.47%
<b>State Aid</b>	84,649,320	3.14%	65,556,205	2.36%	150,205,525	60.21%
Aid to Local Governments	19,391,202	1.48%	19,083,897	1.43%	38,475,099	15.42%
Aid to Individuals	65,476,549	4.81%	46,279,253	3.24%	111,755,802	44.80%
Aid to Other	(218,431)	-1.10%	193,055	0.98%	(25,376)	-0.01%
<b>Capital Construction</b>	(54,644)	-0.21%	(4,143,800)	-15.71%	(4,198,444)	-1.68%
<b>Total Appropriation Changes</b>	<b>149,735,180</b>	<b>3.65%</b>	<b>99,737,634</b>	<b>2.34%</b>	<b>249,472,814</b>	

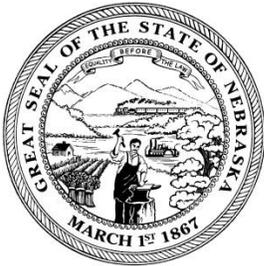
## General Fund Budget: Major Categories

Type	FY 2014-15 Current	FY 2015-16	FY 2016-17
		Recommendation	Recommendation
<b>Agency Operations</b>	1,382,833,840	1,447,974,344	1,486,299,573
<b>State Aid</b>	2,696,554,246	2,781,203,566	2,846,759,771
Aid to Local Governments	1,314,638,798	1,334,030,000	1,353,113,897
Aid to Individuals	1,362,025,882	1,427,502,431	1,473,781,684
Aid to Other	19,889,566	19,671,135	19,864,190
<b>Capital Construction</b>	26,437,444	26,382,800	22,239,000
<b>Total Appropriation</b>	<b>4,105,825,530</b>	<b>4,255,560,710</b>	<b>4,355,298,344</b>

Dollar Change vs. FY 2014-15 Current	FY 2015-16	FY 2016-17
	Recommendation	Recommendation
<b>Agency Operations</b>	65,140,504	103,465,733
<b>State Aid</b>	84,649,320	150,205,525
Aid to Local Governments	19,391,202	38,475,099
Aid to Individuals	65,476,549	111,755,802
Aid to Other	(218,431)	(25,376)
<b>Capital Construction</b>	(54,644)	(4,198,444)
<b>Total Dollar Change</b>	<b>149,735,180</b>	<b>249,472,814</b>

Annual Percent Change	FY 2015-16	FY 2016-17
	Recommendation	Recommendation
<b>Agency Operations</b>	4.7%	2.6%
<b>State Aid</b>	3.1%	2.4%
Aid to Local Governments	1.5%	1.4%
Aid to Individuals	4.8%	3.2%
Aid to Other	-1.1%	1.0%
<b>Capital Construction</b>	-0.2%	-15.7%
<b>Total Percent Change</b>	<b>3.6%</b>	<b>2.3%</b>

% of Total Appropriation	FY 2014-15 Current	FY 2015-16	FY 2016-17
		Recommendation	Recommendation
<b>Agency Operations</b>	33.68%	34.03%	34.13%
<b>State Aid</b>	65.68%	65.35%	65.36%
Aid to Local Governments	32.02%	31.35%	31.07%
Aid to Individuals	33.17%	33.54%	33.84%
Aid to Other	0.48%	0.46%	0.46%
<b>Capital Construction</b>	0.64%	0.62%	0.51%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>



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# Summary of Governor's Recommendations



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## INTRODUCTION

### **TAX RELIEF**

**Direct Property Tax Relief** – Property tax relief is the Governor's number one priority included in his budget recommendations to the members of the 104<sup>th</sup> Nebraska Legislature convening for their 2015 legislative session.

The Governor is recommending \$400 million in direct property tax relief during the 2015-2017 budget biennium. The Governor recommends that \$198 million be transferred from the state General Fund to the Property Tax Credit Fund in each of FY 2015-16 and FY 2016-17, for distribution, along with Property Tax Credit Fund balances, to property taxpayers as a credit against their local property tax bills in 2016 and 2017. This is a \$120 million increase, \$60 million each year, a 43% annual increase in State financed direct property tax relief.

**Reduce Ag Land Value** – The Governor supports a reduction in the valuation of agricultural land for taxation purposes from 75% of actual value to 65% of actual value. This will reduce the amount of local tax resources available to finance schools and result in an increase in the amount of General Funds necessary for state aid to schools under the Tax Equity and Educational Opportunities Support Act (TEEOSA). The Governor's budget includes \$9.5 million in FY 2016-17; allocates \$19 million in FY 2017-18 and \$30 million in FY 2018-19 for the following biennium.

**Tax Relief for Military Retirees** – The Governor supports income tax relief for Nebraska veterans receiving military retirement benefit income. The Governor's budget allocates \$23 million in FY 2016-17, \$20 million for FY 2017-18 and \$20 million for FY 2018-19, for consideration and adoption of an income tax relief measure for these Nebraska veterans by the Legislature during its 2015 legislative session.

### **TAX RECEIPT FORECASTS AND CASH RESERVE**

The Nebraska Economic Forecasting Advisory Board revised its General Fund tax receipt forecast for FY 2014-15 and established its initial forecasts for the 2015-2017 budget biennium at its October 2014 meeting. The Board will meet again in February and April 2015 to update the estimate of tax receipts prior to enactment of the state budget for the upcoming biennium. The revised tax receipt forecast is \$4.3 billion for FY 2014-15. The initial forecast is \$4.4 billion for FY 2015-16 and \$4.6 billion for FY 2016-17. The historical average growth in General Fund revenue is 5.0%. The estimated General Fund revenue growth adjusted for rate and base changes is estimated at 5.1% and 4.8% for FY 2015-16 and FY 2016-17, respectively. Nominal growth in General Fund net receipts is estimated at 4.2% and 4.5% for FY 2015-16 and FY 2016-17 respectively.

The FY 2013-14 actual General fund tax receipts exceeded the FY 2013-14 certified forecast by \$96.7 million. This amount was transferred to the Cash Reserve Fund. The Nebraska Economic Forecasting Advisory Board projects that FY 2014-15 General Fund tax receipts will exceed the current certified forecast by \$61.5 million. This amount is also shown as transferred to the Cash Reserve Fund.

The Governor's 2015 Legislative Session recommendations for current FY 2014-15 include a transfer of \$17.2 million from the Cash Reserve Fund to the General Fund to pay federal disallowances and up to \$5.5 million to pay a court ordered settlement of the Kansas v. Nebraska Republican River litigation.

The Governor's recommendations do not include transfers from the Cash Reserve Fund in the 2015-2017 biennium.

### **SPENDING**

The Governor's recommendations for the current FY 2014-15 budget include a net \$26.9 million in total mid-biennium adjustments to the General Fund appropriations and reappropriations of state agencies. This includes \$17.2 million to pay for federal disallowances for child welfare services and \$10.8 million to address operational costs at the Department of Corrections. The Governor's recommendations for the 2015-2017 biennium represent a two year average growth in General Fund spending of 3.1%.

The \$149.7 million or 3.6% increase for FY 2015-16 is comprised of \$45.7 million for education. This is 30.5% of the total General Fund appropriations recommended for that year. The amount of additional General Fund appropriations recommended in FY 2015-16 for health and human services is \$81.4 million. This is 54.4% of the total additional General Fund appropriations recommended for that year. The \$99.7 million or 2.3% annual increase in FY 2016-17 is comprised of \$34.2 million for education. This is 34.3% of the total additional increase for that year. The amount of the additional General Fund appropriations included for health and human services is \$52.9 million. This is 53.1% of the total additional increase for that year.

**School Aid and Higher Education** – The Governor’s recommendations for the 2015-2017 biennium include an increase of \$71 million in state aid through the state’s primary school aid funding formula (TEEOSA) as projected by the Nebraska Department of Education in November 2014 which represents a 3.0% increase in FY 2015-16 and 1.6% increase in FY 2016-17. The recommendation also includes \$16.2 million for state aid for special education which represents an increase of 2.5% each year.

The Governor’s recommendations for the 2015-2017 biennium include an increase of \$62.5 million for our public postsecondary institutions. The recommendations include an increase of \$49.3 million to the University of Nebraska, \$4.5 million to the Nebraska State College System, and \$8.6 million in aid to community colleges. These amounts provide an increase of 3.0% each year.

**Health and Human Services** – The Governor’s recommendations include significant additional General Fund appropriations for health and human services. Most of the increase in health and human services is a result of existing and new federal requirements related to state participation in the Medicaid program. The recommendation for the 2015-2017 biennium for the Medicaid program alone includes an additional \$167.4 million which represents an increase of 8.1% in FY 2015-16 and 4.9% FY 2016-17. The recommendation for the 2015-2017 biennium includes \$60.6 million, 2% additional funding available each year for rate increases for service providers through various assistance programs of the Department of Health and Human Services.

**Correctional Services** – The Governor’s recommendations provide an additional \$10.8 million in the current FY2014-15 to address increased operational costs in the Nebraska prison system. This includes \$4.5 million alone this year for unanticipated specialty drug and treatment costs for inmates diagnosed with Hepatitis C. The recommendation for the 2015-2017 biennium includes an increase of \$45.7 million for the operational costs of the Nebraska prison system, including an additional \$10.9 million for the continued use of new specialty drugs and treatment for Hepatitis C. This represents an increase of 10.8% in FY 2015-16 and 2.8% in FY 2016-17. There were several investigations, studies, and reports not concluded as the Governor prepared budget recommendations for the 2015-2017 biennium. The Governor will work with a new Corrections Director and the Legislature to consider necessary improvements in the corrections system.

## **AGRICULTURE, ENVIRONMENT, AND NATURAL RESOURCES**

### **AGRICULTURE. DEPARTMENT OF (18)**

**Agriculture Laboratory Equipment** – The Governor’s recommendation includes \$8,334 General Fund appropriation and \$181,666 cash fund appropriation in FY 2015-16 for the replacement of laboratory equipment: combustion protein analyzer, HPLC unit (high performance liquid chromatography) and a refrigerated centrifuge.

**Rent and Data Processing Expense Increase** – The recommendation includes \$12,783 General Fund, \$14,657 cash fund, \$7,021 federal fund and \$1,005 revolving fund appropriation in FY 2015-16 and \$13,018 General Fund, \$14,956 cash fund, \$7,178 federal fund and \$1,026 revolving fund appropriation in FY 2016-17 for an increase in agency office rent and data processing usage.

**Increase Revolving Fund Appropriation and Add Accounting Staff** – The recommendation does not include the agency request to add a staff accountant. The recommendation does include an increase of \$41,750 revolving fund appropriation in FY 2015-16 and FY 2016-17 for accounting services performed by the agency and billed to several commodity boards and, most recently, the Nebraska Ethanol Board.

**Paperless Project Reduction** – The recommendation includes a decrease of \$63,273 General Fund appropriation in FY 2015-16 and FY 2016-17 to recognize substantial completion of phase I of the agency paperless inspections project.

**Establish Base Personal Service Limitation (PSL)** – The recommendation includes a reduction of \$200,000 Personal Service Limitation (PSL) in FY 2015-16 and FY 2016-17 in order to remove PSL that is not utilized by the agency.

**Administrative Services Assessments** – The recommendation includes the agency requested changes in the administrative services assessment rates with the following operations fund decreases in FY 2015-16 and FY 2016-17: General Fund \$3,010, cash fund \$2,219, federal fund \$506 and revolving fund \$117.

**Paperless Inspection Project** – The recommendation includes an increase of \$30,000 General Fund appropriation in FY 2015-16 and FY 2016-17 for enhancements to phase I and expanded utilization of the paperless inspection project.

**Food Safety & Consumer Protection Staffing** – The recommendation includes an increase of \$37,995 General Fund appropriation, \$37,994 cash fund appropriation and \$51,300 PSL in FY 2015-16 and FY 2016-17 to add one program manager to meet customer demand.

**Weights and Measures Large Scale Truck** – The recommendation includes an increase of \$55,000 General Fund appropriation and \$55,000 cash fund appropriation in FY 2015-16 for the replacement of a large scale truck according to the fixed asset replacement schedule.

**Auction Market Fees** – The recommendation includes an increase of \$120,000 cash fund appropriation in FY 2015-16 and FY 2016-17 to allow the payment of veterinarian fees at auction markets.

**Increase Federal Fund Appropriation** – The recommendation includes an increase of \$347,412 federal fund appropriation in FY 2015-16 and FY 2016-17 for two new USDA grant awards for the current nationwide swine epidemic and organic cost share funding and an increased specialty crop grant award.

**Ag Supplier Lease Program** – The recommendation does not include the agency request to increase cash fund authority by \$17,603 in FY 2015-16 and FY 2016-17 to provide support services to local grain elevator owners holding a lease with a railroad. Since LB 435 (2002) there have been only a few inquiries and no official requests for this support service.

**Export Marketing and Development** – The recommendation includes an increase of \$20,000 General Fund in FY 2015-16 and FY 2016-17 for export marketing and development.

### **BRAND COMMITTEE, NEBRASKA (39)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs and an adjustment for an administrative assessment.

### **CORN BOARD, NEBRASKA (88)**

The recommendation includes an \$838,788 cash fund appropriation increase in FY 2015-16 and FY 2016-17 for increased marketing contract activity. The agency also requested the addition of two staff members for a total cash fund appropriation of \$134,500 and Personal Service Limitation of \$96,630. The recommendation does not include the request for additional staff members.

### **DAIRY INDUSTRY DEVELOPMENT BOARD. NEBRASKA (61)**

The recommendation provides for a continuation level of funding for contractual services and administrative expenses.

### **DRY BEAN COMMISSION (86)**

The recommendation includes \$5,758 cash fund appropriation and \$5,000 Personal Service Limitation in FY 2015-16 and FY 2016-17 to increase the part-time employee to full time. The agency also requested a cash fund appropriation increase of \$12,363 in FY 2015-16 and \$37,363 in FY 2016-17 for marketing contract expenditures. This is not included in the recommendation as the agency has sufficient base appropriation.

### **ENERGY OFFICE, NEBRASKA (71)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs and an adjustment for an administrative assessment.

### **ENVIRONMENTAL QUALITY, DEPARTMENT OF (84)**

**Rent Increase** – The recommendation includes the agency requested rent increase with the following operations fund increases in FY 2015-16: General Fund \$20,527, cash fund \$1,252 and federal fund \$1,086; and in FY 2016-17: General Fund \$41,355, cash fund \$1,252 and federal fund \$1,086.

**Administrative Services Assessments** – The recommendation includes the agency requested changes in the administrative services assessment rates with the following operations fund decreases in FY 2015-16 and FY 2016-17: General Fund \$151, cash fund \$72 and federal fund \$1,086.

**Litter Reduction and Recycling Aid** – The recommendation includes the agency request to increase cash fund aid appropriation by \$400,000 in FY 2015-16 and FY 2016-17 to allow grants of available funds from the litter reduction and recycling grant program.

**Waste Reduction and Recycling Aid** – The recommendation includes the agency request to increase cash fund aid appropriations by \$1,000,000 in FY 2015-16 and FY 2016-17 to allow grants of available funds from the waste reduction and recycling grant program.

**Superfund Cost Share Aid** – The recommendation includes the agency request to increase cash fund aid appropriation by \$100,245 in FY 2015-16 and \$1,245,601 in FY 2016-17 to allow the agency to utilize previously paid cost share refunds recently made available to Nebraska in the form of refunds by the U.S. Environmental Protection Agency. Based on cost share fund source history, 65% of the refunds are being paid back to the General Fund and 35% of the refunds are being deposited in the Superfund Cost Share Cash Fund. The funds in the cash fund are used to pay future 10% cost share aid to the Environmental Protection Agency (EPA) for current Superfund projects and completed Superfund projects turned over to the state for operations and maintenance management.

**Superfund Cost Share Operations** – The recommendation includes the agency request to increase cash fund operations appropriation by \$406,520 in FY 2015-16 and by \$823,448 in FY 2016-17 to allow the agency to utilize recent and future EPA refunds of previously paid Superfund Cost Share. EPA is completing their work at several Superfund sites in Nebraska and the contract stipulates that these sites will be turned over to the State of Nebraska for future operations and maintenance management.

**Clean Water State Revolving Fund (SRF) Grants** – The recommendation includes the agency request to increase federal fund aid appropriation by \$1,800,000 in FY 2015-16 and FY 2016-17 to allow increased clean water SRF grants so that each year's five year federal grant is fully disbursed within two years of the award.

**Drinking Water State Revolving Fund (SRF) Grants** – The recommendation includes the agency request to increase federal fund aid appropriation by \$2,500,000 in FY 2015-16 to allow increased drinking water SRF grants so that each year's five year federal grant is fully disbursed within two years of the award.

**Drinking Water State Revolving Fund (SRF) Match** – The recommendation includes the agency request to increase cash fund aid appropriation by \$464,000 in FY 2016-17 to allow use of repayments to the drinking water SRF program to be used to provide part of the 20% state match required for new SRF grants, reducing the need for bond proceeds providing the 20% match.

### **ETHANOL BOARD (60)**

The recommendation includes a \$25,000 increase in cash fund appropriation and a \$25,000 increase in Personal Service Limitation (PSL) in FY 2015-16 for the retirement payout of vacation and sick leave due to a planned employee retirement in the biennium.

The agency also requested the addition of one full time public information officer resulting in a \$53,171 increase in cash fund appropriation and a \$34,692 increase in PSL in both FY 2015-16 and FY 2016-17 to assist in succession planning for the eventual retirement of the agency director. This request is not included in the recommendation. Succession planning can begin with the replacement upon retirement of the Board's project manager.

### **FAIR BOARD, STATE (52)**

The recommendation includes a \$750,000 increase in cash fund appropriation in FY 2015-16 and FY 2016-17 to allow for distribution of the estimated lottery proceeds designated for Fair Board use in the next biennium.

### **GAME AND PARKS COMMISSION (33)**

The recommendation does not contain nor does it imply fee increases by the Nebraska Game and Parks Commission (NGPC). The Governor's recommendation includes many of the Commission's requests but with more reliance on agency cash funds than requested by the agency. The agency requested 17% growth in General Fund appropriation before salary and health increase adjustments. The Governor's recommendation, including salary and health increase adjustments and modified agency requests, provides for a 5% General Fund appropriation growth in FY 2015-16 and a 7.5% General Fund appropriation growth in FY 2016-17, compared to the FY 2014-15 base.

The agency request includes new cash funded initiatives to enhance the citizen experience at state parks and wildlife management areas. The request also includes a traditional agency efficiency and reorganization request where all planning staff are moved from the various programs into a single planning program.

Each year, as improvements are made to park facilities and amenities expanded, there is an operational cost impact generally involving increased utility expense and temporary salary expense. Embedded in the agency request is a shift in the fund mix that traditionally supports the parks administration and operations program from 30% General Fund and 70% cash fund to 33% General Fund and 67% cash fund resulting in a 26% increase in General Fund appropriation for that program. The recommendation holds that General Fund growth to 3% and provides the remaining request as cash fund appropriation. The current FY 2014-15 base appropriation fund mix for parks administration and operations is 28% General Fund and 72% cash funds. The Governor's recommendation contains a parks administration and operations fund mix of 27% General Fund and 73% cash fund in FY 2015-16 and 28% General Fund and 72% cash fund in FY 2016-17.

Personal Service Limitation (PSL) for temporary employees associated with these requests and subsequent recommendations are \$560,952 in FY 2015-16 and \$579,097 in FY 2016-17.

**Administration Operations Increases** – The recommendation includes an increase of \$2,500 General Fund appropriation and \$133,000 cash fund appropriation in FY 2015-16 and \$2,500 General Fund appropriation and \$144,000 cash fund appropriation in FY 2016-17 for information technology and human resources training and certification and software and hardware service agreements.

**Advanced Size Fish Production** – The recommendation includes an increase of \$120,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for agricultural supplies to enable hatcheries to produce larger fish for stocking.

**Agency Efficiency and Reorganization** – The net impact of this multi-program request to move all planning staff to a single program is zero. Embedded in the request is increased survey activity: \$30,000 General Fund and \$45,000 cash fund appropriation in FY 2015-16 and FY 2016-17. The recommendation includes the planning staff reorganization and \$75,000 increased cash fund appropriation in FY 2015-16 and FY 2016-17 for the requested survey activity.

**Cool Water Stream Enhancement** – The recommendation includes an increase of \$100,000 cash fund appropriation in FY 2015-16 and FY 2016-17 to enhance habitat in cold water streams for several at-risk minnows and to provide trout fishing opportunities.

**Engineering and Operations – Operational Increases** – The recommendation does not include the agency request for an increase of \$52,500 General Fund in FY 2015-16 and \$45,000 General Fund and \$94,000 cash fund in FY 2016-17 for the operational expense of a replacement maintenance shop facility, equipment replacement and AutoCAD license upgrades. The agency has included a capital project for construction of a new maintenance shop to support increased activity in the maintenance of park infrastructure.

The agency received funding for maintenance of park infrastructure through these legislative bills in the 2014 session of the Legislature:

- LB 130 (2014): Transferred \$50,500,000 from the Cash Reserve Fund to the General Fund. Included in that transfer was \$15,000,000 for Game and Parks State Park Improvement and Maintenance Fund.
- LB 814 (2014): Revenue from sales tax proceeds on motorboats, personal watercraft, all-terrain vehicles and utility-type vehicles, estimated at \$3,500,000 per year, will be directed to the

Nebraska Game & Parks Commission for infrastructure improvements within statutory authority from October 1, 2014 to October 1, 2019. (Game and Parks Commission Capital Maintenance Fund). LB 814A (2014) appropriated \$3,149,883 cash funds to the deferred maintenance program fund in FY 2014-15.

- LB 906 (2014): Transferred \$15,000,000 from the General Fund and \$2,500,000 from the State Recreation Road Fund to the Game and Parks State Park Improvement and Maintenance Fund for parks infrastructure maintenance.
- LB 905 (2014) appropriated \$150,000 of the above funds to the parks administration and operations program. The remaining \$17,350,000 was appropriated to the state parks maintenance program. These are cash fund appropriations.

In 2012, the agency increased the annual park permit entrance fee from \$20 to \$25. The agency has sufficient available cash in the State Parks Cash Fund and cash fund appropriation in the engineering and operations program to support the operations of a new maintenance shop.

**Law Enforcement Boat Replacement** – The recommendation does not include the agency request of \$15,000 General Fund appropriation and \$85,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for boat replacement. The agency has sufficient cash fund appropriation in this program to fund this request.

**Law Enforcement Operations Increase** – The recommendation includes an increase of \$109,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for equipment and supplies needed to outfit two new hires filling vacant Conservation Officer positions. The agency requested a funding mix of 15% General Fund and 85% cash fund appropriation. However, the agency has sufficient cash balances to fund this request with park and game cash funds.

**Law Enforcement Overtime** – The recommendation includes an increase of \$100,000 cash fund appropriation in FY 2015-16 and FY 2016-17 to payout compensatory time banks as they reach the labor contract maximum, pay down compensatory time banks and eventually pay overtime in the current pay period rather than schedule future time-off to bring compensatory time banks into allowed maximums. The agency requested a funding mix of 15% General Fund and 85% cash fund appropriation. However, the agency has sufficient cash balances to fund this request with park cash funds and game cash funds.

**Marketing, Advertising and Outreach** – The recommendation includes an increase of \$95,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for contract service expense associated with the agency's marketing efforts.

**Outdoor Education Center and Hunter Outreach Increases** – The recommendation includes an increase of \$111,500 cash fund appropriation in FY 2015-16 and FY 2016-17 for outdoor education programs and staffing at new facilities.

**Parks Operational Increases** – The recommendation includes an increase of \$201,752 General Fund appropriation and \$2,328,133 cash fund appropriation in FY 2015-16 and \$201,752 General Fund appropriation and \$2,350,716 cash fund appropriation in FY 2016-17 for increased utility expenditures and staffing at new facilities and expanded or renovated facilities. The agency requested \$1,800,000 General Fund authority in FY 2015-16 and FY 2016-17 for this purpose. The recommendation holds the growth of General Fund appropriation to this program at 3% rather than the 27% requested, prior to salary and health expense costs. The funding mix for this program remains at 28% General Fund and 72% cash fund in the Governor's recommendation.

**Upland Game Private Lands Initiative** – The recommendation includes an increase of \$250,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for cooperative agreements with conservation organizations, landowner contracts and seed purchases.

**Web and Social Media Enhancements** – The recommendation includes an increase of \$93,500 cash fund appropriation in FY 2015-16 and FY 2016-17 for the agency website and social media outreach.

**Wildlife Management Area Payments (WMA) Payments in-Lieu-of-Tax** – The recommendation includes an increase of \$200,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for payments in lieu of taxes to the county treasurer for wildlife management areas.

**Wildlife Management Areas (WMA) Operational Increases** – The recommendation includes an increase of \$200,000 cash fund appropriation in FY 2015-16 and FY 2016-17 for increased expenses to operate and maintain wildlife management areas.

## **GRAIN SORGHUM BOARD (92)**

The agency requested additional cash fund appropriation and Personal Service Limitation (PSL) to increase the director from part-time to full time and increase marketing contract expenditures. The recommendation does not include this request as the agency has sufficient appropriation and PSL to move the director to a full time position and to support increased expenditures. However, the agency does not have sufficient cash balance from the grain sorghum excise tax and the grain sorghum national check-off tax to support additional expenditures in the agency. Should expected increased revenue occur in the next biennium, the agency has sufficient appropriation and PSL to allow expenditure of those projected funds.

## **NATURAL RESOURCES, DEPARTMENT OF (29)**

Significant legislation regarding water issues became law in the 2014 Legislative Session. This impacted the Nebraska Resources Development Fund program and created the Water Sustainability Fund program. As these legislative actions impacted the FY 2014-15 base year, recommendations are made to remove the impact from the base and adapt these to the new biennium years FY 2015-16 and FY 2016-17.

- LB 130 (2014) transferred \$50,500,000 from the Cash Reserve Fund to the General Fund. Included in that transfer were these amounts designated for water programs:
  - o \$10,492,793 Nebraska Resources Development Fund
  - o \$10,000,000 Water Sustainability Fund (one-time portion)
- LB 906 (2014) restricted funding of projects to only those projects currently approved, thus eliminating new applications for funding from the Nebraska Resources Development Fund.
- LB 905 (2014) appropriated \$10,492,793 General Fund authority to the Nebraska Resources Development Fund in FY 2014-15.
- LB 906 (2014) transferred \$21,000,000 from the General Fund to the Water Sustainability Fund in FY 2014-15.
- LB 906 (2014) stated intent language to transfer \$11,000,000 General Fund to the Water Sustainability Fund each fiscal year beginning in FY 2015-16.
- LB 1098A (2014) appropriated \$21,000,000 cash fund authority in the Water Sustainability Fund program in FY 2014-15.

**Nebraska Resources Development Fund – Eliminate One-Time Appropriation** – The Governor's recommendation includes a reduction of \$10,492,793 General Fund appropriation in FY 2015-16 and FY 2016-17 provided in LB 905 (2014) for completion of approved projects. This was intended as a one-time appropriation in FY 2014-15.

**Nebraska Resources Development Fund – Program Completion** – The recommendation includes a reduction of \$2,553,815 General Fund appropriation in FY 2016-17. This program is nearing completion and of the \$3,140,325 base General Fund in this program, only \$586,510 is needed in FY 2016-17 to complete the approved projects. This remaining amount can be removed from the future biennium budget base. Per LB 906 (2014), no new projects may be approved in this program.

**Interrelated Water Management Plan Program – Program Completion** – The recommendation includes a reduction of \$350,000 General Fund appropriation in FY 2015-16 and FY 2016-17. The approved projects will be completed in FY 2014-15. This program may now be discontinued.

**Water Sustainability Fund – Appropriation Reduction** – The recommendation includes a reduction of \$10,000,000 cash fund authority in FY 2015-16 and FY 2016-17 provided in LB 1098A (2014). This was intended as a one-time appropriation for FY 2014-15.

**Water Sustainability Fund – General Fund Transfer** – The recommendation includes a General Fund transfer of \$11,000,000 to the Water Sustainability Cash Fund in FY 2015-16 and FY 2016-17 to support the current cash fund appropriation in this program.

**Soil and Water Conservation – Federal Grant Funding Composition** – The recommendation includes a \$67,327 federal fund reduction in aid appropriation and an increase of \$67,327 federal fund operations appropriation as a result of the completion of the DeWitt, Nebraska flood control project in 2014, a federal aid program, in FY 2015-16 and FY 2016-17.

**Soil and Water Conservation – Reduced Commission Costs** – The recommendation includes a \$22,950 General Fund reduction in FY 2015-16 and FY 2016-17 to remove a one-time FY 2014-15 appropriation for the introduction of new commissioners to the Natural Resource Commission as provided by LB 1098A (2014).

### **OIL AND GAS COMMISSION (57)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs.

### **POWER REVIEW BOARD (74)**

**Engineering Contractor Expense** – The recommendation includes the agency request to increase cash fund appropriation \$15,000 in FY 2015-16 and FY 2016-17 in anticipation of a new contract for a consultant to represent the State of Nebraska at the meetings of the Southwest Power Pool.

**Rent Expense – Buildings and Depreciation Surcharge** – The recommendation includes the agency request to increase cash fund appropriation \$7,300 in FY 2015-16 and FY 2016-17 for the increased rent expense associated with a new office location providing additional conference space.

**LB 1115 (2014) Nebraska Renewable Export Study** – The recommendation includes the agency request to reduce General Fund appropriation \$200,000 in FY 2015-16 and FY 2016-17. This was a one-time FY 2014-15 appropriation for a renewable energy export study completed in December 2014.

The recommendation includes appropriation to address salary and health insurance cost increases therefore the other operating expense, health insurance and salary plan related items requested by the agency are not recommended.

### **WHEAT BOARD, NEBRASKA (56)**

The recommendation includes a \$12,800 increase in cash fund appropriation and a \$8,939 increase in Personal Service Limitation in FY 2015-16 and FY 2016-17 to make a part-time position a full-time position.

The agency requested an increase in cash fund appropriation of \$209,197 in FY 2015-16 and FY 2016-17 for increased marketing expenditures. This request is not included in the recommendation as the base level of appropriation is sufficient to allow this requested expense.

## **ECONOMIC DEVELOPMENT AND REGULATORY**

### **ABSTRACTERS, BOARD OF EXAMINERS (66)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health costs and adjustments for administrative assessments.

### **ACCOUNTABILITY AND DISCLOSURE COMMISSION (87)**

The recommendation includes an increase to the General Fund appropriation of \$175 in FY 2015-16 and FY 2016-17 and a decrease in the General Fund appropriation of \$2,476 in each fiscal year as requested by the agency for administrative assessments.

### **BANKING, DEPARTMENT OF (19)**

The agency requested no additional cash funds for the biennium. The recommendation increases the cash fund appropriation by \$162,960 for FY 2015-16 and \$291,098 for FY 2016-17 for salary and health costs and adjustments for administrative assessments.

**Transfers to General Fund** – The recommendation includes a transfer of \$23,000,000 each year to the General Fund from the Securities Act Cash Fund.

### **BARBER EXAMINERS, BOARD OF (45)**

The recommendation increases the cash fund appropriation by \$242 in FY 2015-16 and \$451 in FY 2016-17 for building rent and depreciation surcharge.

### **ECONOMIC DEVELOPMENT, DEPARTMENT OF (72)**

**Administrative Division** – The recommendation increases General Fund appropriation by \$20,000 for FY 2015-16 and FY 2016-17 for export marketing and development.

**Civic and Community Center Financing** – The recommendation includes the agency request for a cash fund appropriation increase of \$1,000,400 for FY 2015-16 and FY 2016-17. This increase recognizes the increasing revenue available for civic and community center projects in the state.

**Nebraska Developing Youth Talent Initiative** – The recommendation includes General Fund appropriation of \$250,000 for each of FY 2015-16 and FY 2016-17 for a pilot project. This Initiative requires the Department of Economic Development to fund two pilot programs that are targeted to businesses in the manufacturing and technology sectors for two years. Grants will be provided to private sector for-profit entities, one of which must be in a rural area. Grant recipients will design and implement a demand-driven approach to developing youth in our workforce talent pipeline. This initiative will pilot an industry-led partnership with schools to assist in specific career learning opportunities in manufacturing and technology sectors beginning students in the seventh and eighth grades. The pilot will commence starting July 1, 2015, and provide funding to selected employers in the manufacturing or technology sectors or to a consortium to work with partner schools. The Department shall submit an evaluation report of the pilot to the Legislature and the Governor after the first year of the pilot, but not later than September 15, 2016.

### **ELECTRICAL DIVISION, STATE (30)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health costs and adjustments for administrative assessments.

### **ENGINEERS AND ARCHITECTS, BOARD OF (58)**

The recommendation increases the cash fund appropriation as requested by the agency by \$15,000 in FY 2015-16 and FY 2016-17 to provide for a contracted vendor for the maintenance of its electronic database system.

### **GEOLOGISTS, BOARD OF (59)**

The recommendation includes an increase in cash fund appropriation of \$421 in FY 2015-16 and \$855 in FY 2016-17 to provide for an administrative services contract with the Board of Engineers & Architects.

### **INSURANCE, DEPARTMENT OF (22)**

The recommendation includes the agency's request for cash fund appropriations increase of \$598,700 for FY 2015-16 and \$200,280 for FY 2016-17 to support increasing international examinations of insurance companies.

**Transfers to General Fund** – The recommendation includes a transfer of \$6,000,000 each year to the General Fund from the Insurance Cash Fund.

### **LABOR, DEPARTMENT OF (23)**

**Division of Employment** – The recommendation increases federal fund appropriations by \$3,549,227 for FY 2015-16 and \$1,756,155 for FY 2016-17. This includes a reduction related to American Recovery and Reinvestment Act grants that have ended and includes an increase for the Job Driven National Emergency Grant and Workforce Data Quality Initiative Grant. An increase of federal fund appropriation for the Short-Term Compensation Program enacted as part of LB 961 (2014) is included in this recommendation.

The agency requested an increase in cash fund appropriations of \$1,752,457 for both years in response to LB 997 (2014). This bill creates the Nebraska Training and Support Cash Fund. The Training and Support Fund was previously a trust fund without a specific appropriation amount.

The recommendation increases Personal Service Limitation (PSL) by \$1,055,183 for FY 2015-16 and \$1,028,749 for FY 2016-17. These increases will allow the agency to hire additional staff for the two

new federal grants and short-term compensation program. Also included is an increase for staffing for the Nebraska Training and Support program.

**Division of Public Protection** – The recommendation increases General Fund appropriation by \$18,342, cash fund appropriation by \$19,802, federal fund appropriation by \$15,343, and PSL by \$23,129 for FY 2015-16. The recommendation increases General Fund appropriation by \$18,342, cash fund appropriation by \$19,802, federal fund appropriation by \$15,343, and PSL by \$46,778 for FY 2016-17. These increases include additional General Fund appropriation for LB 560 (2014), which made changes to the Wage Payment and Collection Act, and enterprise related increases.

### **LAND SURVEYORS, BOARD OF EXAMINERS (62)**

The recommendation maintains the level of cash fund appropriation for FY 2015-16 and FY 2016-17 as requested by the board.

### **LANDSCAPE ARCHITECTS, NEBRASKA STATE BOARD OF (73)**

The recommendation includes an increase of cash fund appropriation in FY 2015-16 of \$1,002 to provide for an administrative services contract with the Board of Engineers & Architects. In FY 2016-17, the recommendation includes an increase of \$1,437 for the administrative services contract and \$1,000 for E-commerce costs related to an on-line renewal process.

### **PUBLIC ACCOUNTANCY, BOARD OF (63)**

The recommendation includes an increase in cash fund appropriation of \$7,000 in both FY 2015-16 and FY 2016-17 for online fee increases. As a result of an office relocation, the recommendation recognizes savings to the agency of \$2,112 in both years for the reduction of electricity costs, and \$9,817 in both years for the reduction of rent expense.

### **PUBLIC SERVICE COMMISSION (14)**

The Governor's recommendation decreases the General Fund appropriation by \$12,606 in FY 2015-16 and decreases the cash fund appropriation by \$93,083 in FY 2015-16. The recommendation also decreases the General Fund appropriation by \$6,872 and the cash fund appropriation by \$100,484 in FY 2016-17. The recommendation includes several of the items requested by the agency but does not include the request to add two staff positions in the Universal Service Fund program as the agency has sufficient existing appropriation to fund this request and other operational requests.

The recommendation decreases the federal fund appropriation by \$473,954 for both FY 2015-16 and FY 2016-17 as requested by the agency due to the termination of the broadband mapping and planning grant.

### **RACING COMMISSION, NEBRASKA STATE (36)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health costs and adjustments for administrative assessments.

### **REAL ESTATE COMMISSION (41)**

**FY 2014-15 Deficit Request** – The Real Estate Commission submitted a FY 2014-15 deficit request of \$28,906 along with a request for Personal Service Limitation (PSL) of \$25,103 for leave payouts for two employees. The Commission has adequate funding and PSL for these leave payments.

The recommendation increases the cash fund appropriation by \$550,000 for FY 2015-16 as requested by the agency for an upgraded licensee database system. In FY 2016-17, the cash fund appropriation is provided at a continuation level with changes only for employee salary and health costs and adjustments for administrative assessments.

### **REAL PROPERTY APPRAISER BOARD (53)**

The recommendation increases the cash fund authority by \$28,000 in FY 2015-16 and \$33,247 in FY 2016-17. For FY 2015-16, the cash fund appropriation includes the board's request of \$16,000 for contractual services and \$12,000 for temporary staffing. In FY 2016-17, the cash fund appropriation of \$16,000 is included for contractual services, \$12,000 for temporary staffing, and \$5,247 for employee health insurance costs.

### **SECRETARY OF STATE (09)**

**Election Administration** – The recommendation includes an increase in General Fund appropriation of \$54,753 in FY 2015-16 and \$76,054 in FY 2016-17 which is comprised of a base reduction of \$50,000 for each year and an increase of \$104,753 in FY 2015-16 and \$126,054 in FY 2016-17 for a voter registration and tabulation contract as requested by the agency. The recommendation includes continuation of cash fund transfers in-lieu of General Funds from the Corporation Cash Fund of \$69,184 in FY 2015-16 and \$465,847 in FY 2016-17 into the Elections Administration Cash Fund to fund agency administrative expenses related to the Help America Vote Act (HAVA).

**Enforcement of Standards/Collection Agencies** – The recommendation includes an increase in cash fund appropriation of \$42,627 in FY 2015-16 and \$545 in FY 2016-17 for technology upgrades as requested by the agency. An additional cash fund appropriation of \$65,955 in FY 2015-16 as requested by the agency is included to provide for an on-line renewal application process.

**Enforcement of Standards/Records Management** – The recommendation includes an increase in cash fund appropriation of \$309,089 in both FY 2015-16 and FY 2016-17 for distributing funds to state agencies providing on-line services through the portal. The recommendation also includes a revolving fund increase of \$26,667 in FY 2016-17 for increased lease rates at the K Street record storage facility.

**Commercial Code Central Filing** – The recommendation includes cash fund appropriation of \$40,000 in FY 2015-16 and \$840,000 in FY 2016-17 to replace software in the Business Services Division.

### **TOURISM COMMISSION, NEBRASKA (91)**

The recommendation increases cash fund appropriations by \$750,000 for FY 2015-16 and FY 2016-17 to support the agency's request for community impact grants and passport program.

The recommendation increases cash fund appropriation by \$500,000 for FY 2015-16 and FY 2016-17 and decreases General Fund appropriation by \$500,000 for FY 2015-16 and FY 2016-17. The Commission receives a 1% lodging tax to generally promote, encourage, and attract visitors to and within the State of Nebraska and enhance the use of travel and tourism facilities within the state. This lodging tax provides a sufficient level of funding for the Commission.

The recommendation increases the Personal Service Limitation by \$127,333 for FY 2015-16 and FY 2016-17 to support the commission's plan to restructure the agency.

## **EDUCATION AND CULTURAL DEVELOPMENT**

### **ARTS COUNCIL, NEBRASKA (69)**

**Promotion of the Arts** – The recommendation includes an increase of \$3,990 General Funds in FY 2015-16 and an increase of \$5,806 General Funds in FY 2016-17 for rent, supplies, and other operating expenditures. There is a decrease of \$27,746 General Funds in FY 2015-16 and FY 2016-17 for a previously funded retirement payout. There is a reduction of \$2,155 federal funds in FY 2015-16 and FY 2016-17 due to federal funds reductions. The recommendation includes \$25,800 General Funds in FY 2015-16 for strategic planning.

**Aid to the Arts** – The recommendation includes a decrease of \$143,000 federal funds appropriation in FY 2015-16 and FY 2016-17 due to a reduction in available federal funding.

### **BLIND AND VISUALLY IMPAIRED, NEBRASKA COMMISSION FOR THE (81)**

The recommendation includes an increase of \$502,574 federal funds and \$23,500 in Personal Service Limitation (PSL) in FY 2015-16 and an increase of \$621,514 federal funds and \$102,440 PSL in FY 2016-17 due to increased federal funding, a federally mandated agency needs survey, and retirement payouts for eligible employees.

### **COMMUNITY COLLEGE AID, NEBRASKA (83)**

**Aid to Community Colleges** – The recommendation includes an increase in aid of \$2,851,211 General Funds for FY 2015-16 and \$5,787,957 General Funds for FY 2016-17. This represents a 3% annual increase in aid for both FY 2015-16 and FY 2016-17.

### **DEAF AND HARD OF HEARING, NEBRASKA COMMISSION FOR THE (82)**

The recommendation includes an increase of \$2,590 General Funds in FY 2015-16 and FY 2016-17 for employee health insurance costs. There is an increase of \$9,000 General Funds in FY 2015-16 and FY 2016-17 for rent, administrative assessments, and other operational increases. There is a decrease of \$1,740 cash funds in FY 2015-16 and a decrease of \$4,740 cash funds in FY 2016-17 due to the Nebraska Commission for the Deaf and Hard of Hearing's decision to discontinue the Quality Assurance Screening Test. The recommendation includes an increase of \$18,000 Personal Service Limitation in FY 2016-17 for retirement payouts using unexpended General Fund appropriations carried over from FY 2014-15 to finance the retirement payouts.

### **EDUCATION, DEPARTMENT OF (13)**

**Education Administration and Support** – The Governor's recommendation includes an increase of \$10,000 General Funds for FY 2015-16 and FY 2016-17 to fund the Interstate Compact on Educational Opportunity for Military Children which was previously funded through the lottery. The recommendation includes a decrease of \$354,232 General Funds and \$193,451 Personal Service Limitation for FY 2015-16 and FY 2016-17 to shift data warehouse funding and salary and benefit costs pursuant to budget modifications proposed by the Department of Education to the Department's federal indirect cost pool. The recommendation also includes a decrease of \$250,000 General Funds for FY 2015-16 and FY 2016-17 to eliminate funding for the Microsoft IT Academy Pilot, which the Legislature has indicated was one-time funding.

**State Longitudinal Data System (SLDS)** – The Department has requested \$14,149,128 General Funds for FY 2015-16 and \$13,905,490 for FY 2016-17 to hire 31 new employees and develop new technology infrastructure. While the Department's centralized approach for improving and completing the state's data collection goals claim to generate economies of scale that will save \$30 million annually, the Department did not identify in detail how and when such savings could be realized. The Department did not submit technology project proposals with the budget submission for review and consideration by the Nebraska Information Technology Commission (NITC). The recommendation does not include funding for the Department's request.

**Distance Learning** – The Department has requested \$2,607,773 General Funds for FY 2016-17 to hire one new employee and develop new virtual education technology. There are already several state-funded distance learning initiatives conducted by the Department of Education, the University of Nebraska, Educational Service Units, and individual School Districts. There has been no recent evaluation for redundancies or individual values of the different systems to the state relative to traditional education methods. The Department did not submit technology project proposals with the budget submission for review and consideration by the Nebraska Information Technology Commission (NITC). The recommendation does not include funding for the Department's request.

**Vocational Rehabilitation** – The recommendation for this program includes an increase for operations of \$118,918 General Funds for FY 2015-16 and \$240,809 General Funds for FY 2016-17, an increase of \$250,223 cash funds for FY 2015-16 and FY 2016-17, and an increase of \$530,837 federal funds for FY 2015-16 and \$1,074,945 federal funds for FY 2016-17 to match and use estimated federal funding for Vocational Rehabilitation.

**Services for the Blind and Visually Impaired** – The recommendation for this program includes an increase of \$43,824 General Funds for FY 2015-16 and \$87,648 General Funds for FY 2016-17 to

fund a 2.25% increase in the annual payment to Educational Service Unit #4 for operating the Nebraska Center for Education of Children who are Blind or Visually Impaired (NCECBVI).

**Services for the Deaf and Hard of Hearing** – The recommendation includes an increase of \$44,362 General Funds for FY 2015-16 and \$88,723 General Funds for FY 2016-17 to fund a 2.25% increase in the annual contractual payments to Educational Service Unit #9 and the Iowa School for the Deaf.

**Professional Practices Commission** – The recommendation for this program includes an increase of \$38,147 cash funds and \$32,046 Personal Service Limitation for FY 2014-15 to accept the Department’s request to meet the retirement and payroll obligations of this program’s one position.

**Education Aid:**

**TEEOSA** – The recommendation is based on the Department of Education’s November 2014 estimate of the funding requirements of the Tax Equity and Educational Opportunities Support Act (i.e., TEEOSA School Aid) and includes \$961,000,000 in total state support (General Funds and Insurance Premium Tax distributions) for FY 2015-16, and \$976,000,000 for FY 2016-17. This includes a General Fund increase of \$25,043,158 for FY 2015-16 and \$37,983,533 for FY 2016-17.

The actual amount of Insurance Premium Taxes allocated for TEEOSA in FY 2014-15 exceeded the estimate by \$1,181,754. The recommendation also includes a decrease of \$1,181,754 General Funds for FY 2014-15 to reflect this actual amount of Insurance Premium Taxes.

**TEEOSA School Aid**

	FY 2014-15	FY 2015-16	FY 2016-17
	<i>Certified</i>	<i>Governor's Rec</i>	<i>Governor's Rec</i>
State Support			
General Funds	912,390,088	938,615,000	951,555,375
Insurance Premium Tax	20,581,754	22,385,000	24,444,625
Total State Support	932,971,842	961,000,000	976,000,000
State Support Annual Change	26,390,510	28,028,158	15,000,000
State Support Annual % Change	2.91%	3.0%	1.56%

**Special Education Aid** – The recommendation includes an increase of \$5,344,199 General Funds for FY 2015-16 and \$10,822,003 General Funds for FY 2016-17 to provide a 2.5% annual increase.

**Early Childhood Aid** – The recommendation includes a decrease of \$3,415,000 General Funds for FY 2015-16 and FY 2016-17 to eliminate funding specifically designated by the Legislature to be a one-time appropriation (LB 905, 2014 Law). This recommendation also includes an increase of \$42,300 General Funds for FY 2015-16 and FY 2016-17 to align the Department’s budget for “Step Up to Quality” incentives pursuant to LB 507 (2013 Law).

**Federal Aid** – The recommendation includes an increase of \$20,000,000 estimated federal funds for FY 2015-16 and FY 2016-17 to accommodate the Department’s forecast of increased federal grant authority.

**Learning Community Aid** – The recommendation includes a decrease of \$725,000 General Funds for FY 2015-16 and FY 2016-17 to eliminate this aid program.

**School Breakfast** - The recommendation includes an increase of \$52,380 General Funds for FY 2014-15, \$81,318 General Funds for FY 2015-16, and \$108,034 General Funds for FY 2016-17 to accept the Department’s estimated calculations for reimbursing school breakfast programs.

**Education Innovation** – The Department of Education has requested all current cash funded initiatives within the Education Innovation program to be replaced with General Funds. The recommendation for this program assumes no changes to the fund source in FY 2015-16 and FY 2016-17 for education initiatives currently funded with cash funds derived from the Nebraska Lottery, with the exception of a decrease of \$10,000 cash funds for FY 2015-16 and FY 2016-17 to fund the Interstate Compact on Educational Opportunity for Military Children with General Funds.

### **EDUCATIONAL LANDS AND FUNDS, BOARD OF (32)**

**Land Surveys** – The recommendation includes an increase of \$30,710 in Personal Service Limitation in FY 2016-17 for a retirement payout using unexpended General Fund appropriations carried over from FY 2014-15 to finance the retirement payout.

**Disputed Surveys** – The recommendation includes a continuation of level funding.

**School Land Trust** – The recommendation includes increases of \$22,313 cash funds in FY 2015-16 and \$23,430 cash funds in FY 2016-17 for noxious weed control, and increases of \$852,570 cash funds in FY 2015-16 and \$929,302 cash funds in FY 2016-17 for real estate taxes.

### **EDUCATIONAL TELECOMMUNICATIONS COMMISSION, NEBRASKA (47)**

**Facility Operations and Utilities** – The recommendation includes an increase of \$88,000 of General Funds for FY 2015-16 and FY 2016-17 for relocating the KYNE tower and transmitter from the University of Nebraska – Omaha to a new site. The recommendation also includes an increase in cash fund appropriation of \$64,800 for FY 2015-16 and \$110,300 for FY 2016-17 as requested by the Commission for 24-hour operations capability at the KYNE & KHNE transmitters and utilities costs for the radio and television broadcast networks and the Carpenter Center building.

**Equipment Maintenance** – The recommendation includes an increase of \$50,000 of General Funds for FY 2015-16 and FY 2016-17 for television equipment repair and replacement. The recommendation also includes an increase of \$8,000 cash funds for FY 2015-16 and FY 2016-17 to accommodate the Commission's request for radio equipment repair and replacement.

### **HISTORICAL SOCIETY, STATE (54)**

The recommendation includes an increase of \$21,380 General Funds in FY2015-16 and \$21,380 General Funds in FY2016-17 for leased space. There is a decrease of \$461,563 General Funds in FY 2016-17 due to the completion of the Spacesaver purchase. There is a decrease of \$154,685 General Funds, an increase of \$153,909 cash funds, and an increase of \$1,527 Personal Service Limitation (PSL) in FY 2015-16 and a decrease of \$154,685 General Funds, an increase of \$153,909 cash funds, and an increase of \$1,527 PSL in FY 2016-17 to end General Fund support of administration costs of the Historic Tax Credit Program as intended in the creation of the program.

### **INDIAN AFFAIRS, NEBRASKA COMMISSION ON (76)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs.

### **LATINO AMERICAN COMMISSION (68)**

The recommendation includes an increase of \$5,000 cash funds in FY 2015-16 and FY 2016-17 for the Hispanic Heritage Month Commemoration.

### **LIBRARY COMMISSION, NEBRASKA (34)**

**Library Operations** – The recommendation includes an increase of \$28,362 General Funds in FY 2015-16 and \$53,093 General Funds in FY 2016-17 for office space lease expenses.

**Library Development** – The recommendation includes an increase of \$8,487 General Funds in FY 2015-16 and \$8,657 General Funds in FY 2016-17 for NebraskaAccess subscription fees.

### **POSTSECONDARY EDUCATION, COORDINATING COMMISSION FOR (48)**

**Administration** – The recommendation includes a decrease of \$11,000 General Funds and \$11,000 Personal Service Limitation (PSL) for FY 2015-16 and FY 2016-17 to remove one-time funding for an employee retirement payout. The recommendation includes \$20,000 General Funds for FY 2015-16 and FY 2016-17 to fund increased membership dues for the Midwestern Higher Education Compact.

**College Access Challenge Grant** – The Commission has indicated that this federal grant will terminate in 2015. The recommendation includes an operations decrease of \$63,014 federal funds and

\$35,184 PSL for FY 2015-16 and \$124,969 federal funds and \$70,368 PSL for FY 2016-17 to eliminate the Commission's grant management functions, and a decrease in aid of \$538,616 federal funds for FY 2015-16 and \$1,377,232 for FY 2016-17 to eliminate the aid program.

**Access College Early Program** – The Commission has indicated that this federal grant will terminate in 2015. The recommendation includes a decrease in aid of \$300,000 federal funds for FY 2015-16 and FY 2016-17 to eliminate the aid program.

**Access College Early (Plus) Program** – The Commission has indicated that this federal grant will terminate in 2015. The recommendation includes a decrease in aid of \$300,000 federal funds for FY 2015-16 to eliminate the aid program

**Nebraska Opportunity Grant** – The recommendation includes an increase of \$200,000 cash funds for FY 2015-16 and \$204,000 cash funds for FY 2016-17 to allow the Commission to use as aid the excess cash balances accruing to this cash fund.

### **STATE COLLEGE SYSTEM, NEBRASKA (50)**

The recommendation includes an increase in General Fund operations appropriation of \$1,481,881 for FY 2015-16 and \$3,008,218 in FY 2016-17. This represents a 3% annual increase in both FY 2015-16 and FY 2016-17.

### **UNIVERSITY OF NEBRASKA (51)**

The recommendation includes an increase in General Fund operations appropriation of \$16,284,507 for FY 2015-16 and \$33,057,548 in FY 2016-17. This represents a 3% annual increase in both FY 2015-16 and FY 2016-17.

Included in the appropriations for the University System is \$2,902,356 for FY 2015-16 and \$3,000,000 for FY 2016-17 for the Nebraska College of Technical Agriculture at Curtis.

## **GENERAL GOVERNMENT**

### **GOVERNOR, OFFICE OF (07)**

**Transition Expenses** – The recommendation includes an agency requested decrease of \$85,288 General Funds for FY 2015-16 and FY 2016-17 to remove the one-time appropriation for Governor's Office transition expenses from the base appropriation.

**NGA Dues** – The Governor also recommends \$6,500 General Funds for FY 2015-16 and FY 2016-17 for the cost of dues for membership in the National Governor's Association. This is an annual expense of the Governor's Office that has recently been paid using reappropriation. It is appropriate for this annual, ongoing expense to be paid using base appropriation funding.

**Strategic Management** – The recommendation includes the addition of two strategic and performance management positions to the Governor's Office staff. These critical new staff will work closely with the Governor and agency directors to collect and analyze data, establish benchmarks, evaluate director and agency performance, and improve government operations and service delivery to Nebraskans. These individuals will work with agencies to begin a process of culture change and will be used to drive operational excellence throughout Nebraska state government. For this important purpose and to establish the necessary base level of funding for the Office of the Governor, the Governor recommends a General Fund increase of \$45,000 in FY 2014-15 and \$385,081 in FY 2015-16 and FY 2016-17. The Personal Services Limitation (PSL) increase necessary to implement the Governor's proposal is \$174,387 in each of FY 2015-16 and FY 2016-17.

**Leave Payouts Deficit** – A deficit request of \$144,383 General Funds and \$125,401 PSL for FY 2014-15 was submitted by the Governor's Office in October 2014 in the event the payout of vacation leave balances for Governor's Office employees and for one-fourth of sick leave balances for retirement eligible Governor's Office employees was necessary as a result of the transition to a new Governor. The request represented the maximum leave payout related to the transition of the Office of Governor. The request also indicated the impact would be reduced if employees are retained, by employee decisions regarding timing of resignation or retirement, by use of leave, and if employees obtain employment in

another agency of state government. The recommendation includes \$9,300 General Funds and \$8,100 PSL for FY 2014-15 to cover the amount now determined to be needed for leave payouts.

**LEGISLATIVE COUNCIL (03)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health costs and adjustments for administrative assessments.

**LIEUTENANT GOVERNOR, OFFICE OF (08)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health costs and an adjustment for an administrative assessment.

**HEALTH AND HUMAN SERVICES**

**FOSTER CARE REVIEW OFFICE (70)**

The recommendation includes a \$94,000 General Fund increase for FY 2014-15, FY 2015-16, and FY 2016-17 for the Children’s Commission. The funds are currently appropriated to the Department of Health and Human Services, but with the passage of LB 269 (2014) it is appropriate for the annual \$94,000 General Fund appropriation for the Children’s Commission to be to the Foster Care Review Office.

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (25)**

The recommendation for the General Fund operations and aid budgets for the Department of Health and Human Services for FY 2015-16 and FY 2016-17, along with dollar and percentage changes from FY 2014-15 base year are shown in the following table:

DHHS General Funds	FY 2014-15	FY 2015-16		FY 2016-17		\$ chg from FY 2014-15	% chg from FY 2014-15
	Approp	Gov Rec	\$ chg	% chg	Gov Rec		
Operations	235,054,760	249,061,453	14,006,693	6.0%	255,945,625	20,890,865	8.9%
Aid	1,278,863,443	1,346,274,128	67,410,685	5.3%	1,392,325,343	113,461,900	8.9%
Total	1,513,918,203	1,595,335,581	81,417,378	5.4%	1,648,270,968	134,352,765	8.9%

The recommendation includes a \$94,000 General Fund reduction for FY 2014-15, FY 2015-16, and FY 2016-17 for the Children’s Commission. The funds are currently appropriated to the Department of Health and Human Services, but with the passage of LB 269 (2014) it is appropriate for the annual \$94,000 General Fund appropriation for the Children’s Commission to be to the Foster Care Review Office.

The recommendation includes \$350,000 General Funds for FY 2015-16 and \$350,000 General Funds for FY 2016-17 to provide base and dental program funding for a seventh Federally Qualified Health Center (FQHC). The new FQHC, known as Heartland Health Center is located in Grand Island.

The recommendation includes a \$500,000 General Fund reduction in each of FY 2015-16 and FY 2016-17 for the Nebraska Health Information Initiative (NEHII). The intent of the Legislature was for this to be a one-year only appropriation for FY 2014-15.

The recommendation includes a \$360,000 cash fund reduction for FY 2015-16 and \$360,000 cash fund reduction for FY 2016-17 for the Medical Student Assistance Program as requested by the agency. The settlement funds that were used to finance the higher level of cash fund appropriation have been depleted and the cash fund spending authority can be reduced.

The recommendation includes a \$300,000 cash fund increase for FY 2015-16 and a \$300,000 cash fund increase for FY 2016-17 for the Housing Related Assistance Program (HRA). The recommended \$300,000 increase is less than the \$800,000 per year requested. The \$300,000 per year recommendation is more likely to be sustainable than the amount requested.

The recommendation includes a \$12,000,000 federal fund reduction for each of FY 2015-16 and FY 2016-17 as requested by Department of Health and Human Services. This reduces the federal fund appropriation closer to a level which the agency can earn based on current General Fund appropriations. The reduction will not reduce the agency's ability to serve clients.

The recommendation includes \$1,484,435 General Funds and \$4,453,304 federal funds for FY 2016-17 for maintenance and operating costs associated with the Medicaid eligibility system necessary to meet Affordable Care Act (ACA) requirements.

The recommendation includes \$657,380 General Funds and \$1,972,140 federal funds for FY 2015-16 and \$639,135 General Funds and \$1,917,403 federal funds for FY 2016-17 for maintenance and operating costs for a Medicaid provider screening and enrollment system required by the ACA. This screening requirement applies to treatment-rendering providers and referring providers as well.

The recommendation includes \$78,750 General Funds and \$236,250 federal funds for FY 2015-16 and \$92,620 General Funds and \$275,630 federal funds for FY 2016-17 for maintenance and operating costs associated with providing the ACA required real-time and connectivity requirements for Medicaid eligibility status, claim status, and electronic remittance advice.

The recommendation includes a \$3,200,000 General Fund increase and a \$3,200,000 federal fund decrease for each of FY 2015-16 and FY 2016-17 due to the depletion of the federal Title IV-E Training Fund. Since 2009, federal funds awarded in a successful challenge by the state on the usage of Title IV-E funds for employee training have been used for Protection and Safety Specialist and Protection and Safety new worker training. The federal funds awarded will be fully expended by the end of FY 2014-15. General Funds will be needed to continue the employee training.

The recommendation includes \$17,201,112 General Funds for FY 2014-15 for the payment of federal Administration for Children and Families (ACF) Title IV-E disallowances.

The recommendation includes \$1,429,886 General Funds, \$64,036 federal funds, and \$271,419 Personal Services Limitation (PSL) for FY 2014-15 to finance services and administration costs associated with youth in the care and custody of the Department of Health and Human Services that have not transitioned to the Office of Probations Administration administered by the Supreme Court.

The recommendation includes \$7,584,150 General Funds for FY 2014-15 to cover funding shortfalls in Child Welfare Aid associated with increased fixed costs in the contract with Nebraska Families Collaborative (NFC) and revised Tribal Title IV-E contracts.

The recommendation includes a redirection of \$7,000,000 of General Fund June 30, 2014 reappropriation balance from the Public Assistance aid program to the Child Welfare Aid program to address identified funding shortfalls in Child Welfare Aid.

**Twenty-Four Hour Care Facilities** – The recommendation includes \$328,958 General Funds, \$43,438 cash funds, and \$108,350 federal funds for FY 2015-16 and \$670,128 General Funds, \$87,973 cash funds, and \$219,693 federal funds for FY 2016-17 for inflationary increases requested for food, prescription drugs, medical supplies, and medical services. The recommendation includes \$173,693 General Funds, \$66,109 cash funds, and a net reduction of \$25,822 federal funds for FY 2015-16 and \$512,876 General Funds, \$96,914 cash funds, and \$122,273 federal funds for FY 2016-17 for rent, maintenance, and depreciation charges. The inflationary increases for food, drugs, and medical costs, as well as the rent, maintenance, and depreciation charges affect all Department of Health and Human Services 24-hour care facilities.

*Beatrice State Developmental Center (BSDC)* – Since 2008, the Beatrice State Developmental Center has been responsible for the payment of costs associated with an independent expert appointed by the U.S. District Court to ensure compliance with the U.S. District Court Settlement Agreement. It is anticipated that these reviews will cease by June 30, 2015, resulting in annual cost savings to BSDC of \$450,000. The recommendation includes the agency requested reduction of \$215,505 General Funds and \$234,495 federal funds for FY 2015-16 and FY 2016-17 associated with the independent expert fees.

The recommendation includes a reduction of \$753,875 General Funds and a reduction of \$801,625 federal funds in each of FY 2015-16 and FY 2016-17 to account for the movement of community-based program service coordination staff and administrative staff from the BSDC budget to the Developmental Disability Services Division service coordination and administrative budgets in order to simplify federal funds claiming and reporting requirements. Corresponding increases are recommended in the HHS administration program to reflect the transfer of staff from BSDC.

*Veterans' Homes* – The recommendation includes a \$1,000,000 General Fund reduction, a \$584,127 cash fund increase, and a \$415,873 federal fund increase in each of FY 2015-16 and FY 2016-17 for the veterans' homes. The availability of additional cash funds and federal funds allows for the

reduction of General Fund support without reducing the overall operating budgets of the four veterans' homes.

The FY 2015-16 recommendation includes \$1,361,800 General Funds to convert twelve Assisted Living beds at the Western Nebraska Veterans' Home to Skilled Nursing beds in order to address the needs of the veteran population. To finance the cost of the conversion, a \$1,361,800 reduction in the FY 2013-14 General Fund reappropriation balance is recommended. The recommendation for the veteran's homes operating budget for FY 2016-17 includes \$801,028 federal funds and \$374,314 Personal Services Limitation (PSL) to finance the cost of additional staff and operating cost increases associated with the increased level of care.

**Norfolk Sex Offender Treatment Facility** – The recommendation includes increases of \$300,000 General Funds and \$400,000 PSL for FY 2015-16 and \$500,000 General Funds and \$400,000 PSL for FY 2016-17 for the sex offender treatment program operated at Norfolk to finance additional staffing and increased operating costs associated with increased program census.

**Behavioral Health Operations** – Beginning in FY 2011-12, through the current fiscal year, FY 2014-15, available federal fund balances have been used to reduce the reliance on state General Funds for the operation of the regional centers. This was accomplished by reducing General Fund appropriations to the regional centers and increasing federal fund appropriations in order to spend down the federal fund balances. This action was done recognizing that General Funds would need to be restored when federal balances were exhausted. The recommendation includes restoration of \$4,226,704 General Funds in each of FY 2015-16 and FY 2016-17 for the behavioral health operating programs, along with federal fund reductions of \$4,226,704 in each of FY 2015-16 and FY 2016-17.

**Provider Rates** – The recommendation includes \$20,113,655 General Funds and \$21,552,740 federal funds for FY 2015-16, and \$40,435,528 General Funds and \$43,730,591 federal funds for FY 2016-17 for a 2.0% increase available for provider rates. Programs included in the recommendation for adjustment are Medicaid, Children's Health Insurance Program, Public Assistance, Child Welfare Aid, Behavioral Health Aid, Developmental Disabilities Aid, and Aging programs.

**Child Care Rates** – The recommendation includes \$3,625,006 General Funds and \$109,958 federal funds for FY 2015-16 and \$3,625,006 General Funds and \$109,958 federal funds for FY 2016-17 to finance child care rates indicated by preliminary results of the child care market basket survey being conducted by the agency as required by law.

**Federal Medical Assistance Percentage (FMAP)** – The federal medical assistance percentage (FMAP) is being reduced from 53.27% to 51.16% effective October 1, 2015 for eligible programs. The enhanced FMAP available for the Children's Health Insurance Program (CHIP), including the 23% expanded FMAP provided in the Affordable Care Act (ACA) for federal fiscal years 2016 through 2019, increases from 67.29% to 88.81% effective October 1, 2015. The General Fund impact of the Medicaid FMAP reduction and the increase in the enhanced FMAP for CHIP for state fiscal years FY 2015-16 and FY 2016-17 are detailed by program in the following table.

	FY 2015-16 Gov Recommend	FY 2016-17 Gov Recommend
General Fund Impact of FMAP Change by Program		
Developmental Disabilities Service Coordination	237,874	282,930
Children's Health Insurance	(15,786,958)	(21,897,034)
Public Assistance	394,375	449,852
Medicaid	27,468,499	32,099,018
Child Welfare Aid	576,120	554,791
Mental Health Operations	62,774	65,854
Beatrice State Developmental Center	522,678	634,569
Developmental Disabilities Aid	4,188,878	4,989,108
Total	17,664,240	17,179,088

**Medicaid** – The following table details the \$63,097,905 General Fund increase recommended for FY 2015-16 and the \$104,293,329 General Fund increase recommended for FY 2016-17 for the Medicaid program. The increases result from projected increases in the program utilization, the recommended 2.0% General Fund increase available for provider rates, and a reduced federal match rate (FMAP). The recommendation includes \$3,236,770 General Funds for FY 2015-16 and \$3,272,280 General Funds for

FY 2016-17 for prescription drugs, including new drugs available for the treatment of Hepatitis C. The Department of Health and Human Services requested \$8,867,705 General Funds for FY 2015-16 and \$8,964,991 General Funds for FY 2016-17 for implementing the new U.S. Department of Labor (DOL) rules concerning the payment of minimum wage, overtime, and travel costs for workers providing home-based care. On December 22, 2014, the U.S. District Court vacated the federal final regulation; therefore, this increased appropriation is no longer required. The new minimum wage approved by Nebraska voters in November, 2014 is estimated to cost the Medicaid program an additional \$161,157 General Funds in FY 2015-16 and \$228,095 General Funds in FY 2016-17. The Governor's recommendations include this additional appropriation. The recommendation includes a reduction of \$2,857,248 General Funds in each of FY 2015-16 and FY 2016-17 for aid and operating costs associated with the termination of Nebraska's participation in the federal Balancing Incentive Program. The availability of a temporary 2.0% enhanced federal match does not justify the investment of additional General Funds necessary to implement and sustain the structural changes and services anticipated with the passage of LB 690 in 2014.

	FY 2015-16 Gov Recommend	FY 2016-17 Gov Recommend
Medicaid - General Fund Only		
FY 2014-15 Appropriation	777,723,897	777,723,897
Medicaid utilization	21,434,884	44,203,043
Federal match rate change (FMAP)	27,468,499	32,099,018
Impact of State Minimum Wage Increase	161,157	228,095
Hepatitis C and Other Medication Impacts	3,236,770	3,272,280
Provider rates +2.00%/yr.	13,425,782	27,120,080
Terminate Balancing Incentive Program	(2,629,187)	(2,629,187)
Total	840,821,802	882,017,226
\$ change from FY 2014-15 Base	63,097,905	104,293,329
% change from FY 2014-15 Base	8.1%	13.4%

HHS is currently involved in litigation regarding the provision of Medicaid behavioral health services for children with autism spectrum disorder (ASD) and developmental disabilities. Also, the federal Centers for Medicare and Medicaid Services (CMS) recently issued an informational bulletin regarding multiple approaches available under the federal Medicaid program for providing services to individuals with ASD. Given the uncertainty surrounding the provision of ASD services, the Governor's recommendation authorizes the reappropriation of June 30, 2015 unexpended General Fund and federal fund estimate appropriation balances for the Medicaid and Children's Health Insurance Program (CHIP) programs to finance services in the event a determination is made concerning the provision of ASD services.

The recommendation includes \$2,284,766 federal funds for FY 2015-16 and \$2,522,320 federal funds for FY 2016-17 for changes to the current Indian Health Service (IHS) Medicaid and CHIP reimbursement model to allow payments for pharmacy visits at IHS facilities to be paid at an all-inclusive encounter rate and allow a pharmacy encounter to be paid in addition to other Medicaid visits provided at the same HIS facility on the same day to the same client. The encounter rate is federally determined and is paid with 100% federal funds.

**Children's Health Insurance Program (CHIP)** – The following table details the \$15,157,370 General Fund reduction recommended for FY 2015-16 and the \$21,035,087 General Fund reduction recommended for FY 2016-17 for the Children's Health Insurance Program (CHIP). Increases in recommended General Funds result from projected increases in program utilization and a recommended 2.0% increase in General Funds available for provider rates. Reduced General Funds of \$15,786,958 for FY 2015-16 and \$21,897,034 for FY 2016-17 are recommended based on the net FMAP increase resulting from adding the 23.00% enhanced FMAP as provided by the Affordable Care Act (ACA) to the traditional enhanced FMAP that is being reduced from 67.29% to 65.81% effective October 1, 2015.

	FY 2015-16 Gov Recommend	FY 2016-17 Gov Recommend
<b>Children's Health Insurance - General Funds Only</b>		
FY 2014-15 Appropriation	27,560,027	27,560,027
Federal match rate change (FMAP)	1,596,943	1,815,556
Enhanced FMAP (+23%) as provided by Affordable Care Act	(17,383,901)	(23,712,590)
CHIP program utilization	333,708	458,326
Provider rates +2.00%/yr	295,880	403,621
<b>Total</b>	<b>12,402,657</b>	<b>6,524,940</b>
\$ change from FY 2014-15 Base	(15,157,370)	(21,035,087)
% change from FY 2014-15 Base	-55.0%	-76.3%

**Public Assistance** – The following table details the \$5,644,135 General Fund increase recommended for FY 2015-16 and the \$6,987,264 General Fund increase recommended for FY 2016-17 for the Public Assistance program. The increased General Funds recommended for FY 2015-16 and FY 2016-17 result from increases indicated by preliminary results from the statutorily required child care market rate survey, the FMAP decrease effective October 1, 2015, and a recommended 2.0% increase available for provider rates. The Department requested \$850,000 General Funds for FY 2015-16 and \$850,000 General Funds for FY 2016-17 to implement the requirements of the new U.S. Department of Labor rule requiring payment of minimum wage, overtime at time and one-half for hours worked over 40 hours per week, and travel expenses for client- to-client travel for workers providing home-based services. Based on the December 22, 2014, U.S. District Court decision, the Governor's recommendations do not include this additional appropriation. The impact of the new state minimum wage adopted by Nebraska voters in November, 2014 is estimated to cost the Public Assistance program an additional \$754,814 General Funds in FY 2015-16 and \$1,056,740 General Funds in FY 2016-17. The Governor's recommendations include this additional appropriation.

	FY 2015-16 Gov Recommend	FY 2016-17 Gov Recommend
<b>Public Assistance - General Fund Only</b>		
FY 2014-15 Appropriation	110,319,888	110,319,888
Child care rates- Market Rate Survey	3,528,548	3,528,548
Federal match rate change (FMAP)	394,375	449,852
Impact of State Minimum Wage Increase	754,814	1,056,740
Provider Rates +2.00%/yr.	966,398	1,952,124
<b>Total</b>	<b>115,964,023</b>	<b>117,307,152</b>
\$ change from FY 2014-15 Base	5,644,135	6,987,264
% change from FY 2014-15 Base	5.1%	6.3%

**Developmental Disabilities Aid** – The recommendation includes \$4,188,878 General Funds for FY 2015-16 and \$4,989,108 General Funds for FY 2016-17 to account for a lower FMAP effective October 1, 2015. The recommendation includes \$1,338,335 General Funds and \$1,456,267 federal funds for FY 2015-16 and \$2,528,063 General Funds and \$2,750,832 federal funds for FY 2016-17 for individuals transitioning from K-12 school programs to community- based developmental disabilities programs. The federal fund recommendations for this item are reflected in the Medicaid program. The recommendation also includes \$73,111 General Funds and \$73,111 federal funds for FY 2015-16 and \$73,111 General Funds and \$73,111 federal funds for FY 2016-17 for service coordination for the transitioning clients.

### **INDUSTRIAL RELATIONS, COMMISSION OF (77)**

The recommendation includes \$10,770 Personal Service Limitation for FY 2016-17 to allow for the payment of the leave payout for a retiring employee. The vacation, sick leave, and benefit payout can be financed with the General Fund reappropriation balances carried over from FY 2014-15 as provided in the recommendation.

### **VETERANS' AFFAIRS, DEPARTMENT OF (28)**

The recommendation includes a \$25,000 General Fund reduction and a \$25,000 Cash Fund increase for each of FY 2015-16 and FY 2016-17 for the operation of the State Veterans' Cemetery located near Alliance. Available cash fund balances in addition to anticipated revenue from the sale of military themed license plates allows for this fund mix change. The fund mix change does not decrease the operating budget for the cemetery.

## **LAW ENFORCEMENT AND PUBLIC SAFETY**

### **ATTORNEY GENERAL, NEBRASKA (11)**

**Interstate Water Litigation** – The Attorney General's Office continues an ongoing defense of the State of Nebraska against allegations of non-compliance by the State of Kansas on the Republican River Compact. The Attorney General's budget request included an additional \$200,000 General Funds in each of FY 2015-16 and FY 2016-17 for ongoing costs related to this suit and other potential Interstate Water Litigation. The recommendation includes an additional \$200,000 General Fund appropriation in FY 2015-16 only to continue any additional litigation costs.

**Additional Staffing and Operating Costs** – After reviewing the agency budget request with the new Attorney General, the recommendation includes \$300,000 additional cash fund and \$35,000 additional General Fund appropriations in both FY 2015-16 and FY 2016-17 for four additional professional staff and part time law clerks; \$250,000 General Funds in both FY 2015-16 and FY 2016-17 for staffing and salary alignment adjustments; and \$25,000 General Funds in FY 2015-16 and \$75,000 cash funds in FY 2016-17 for information technology database related projects.

### **CORRECTIONAL SERVICES, DEPARTMENT OF (46)**

The recommendations for the Department of Correctional Services add \$11,183,544 (\$10,799,044 General Funds and \$384,500 cash funds) in FY 2014-15; \$20,552,037 (\$19,946,177 General Funds, \$384,500 cash funds, \$18,363 federal funds, and \$202,997 revolving funds) in FY 2015-16 and \$26,470,184 (\$25,712,856 General Funds, \$384,500 cash funds, \$29,494 federal funds, and \$343,334 revolving funds) in FY 2016-17.

**FY 2014-15 Deficit Request** – The Department of Correctional Services submitted a deficit appropriations request for Adult Operations appropriations in FY 2014-15. The Governor's recommendation for the Department of Correctional Services' FY 2014-15 appropriations for Adult Operations, total \$13,410,056 (\$13,025,556 General Funds and \$384,500 cash funds) with \$2,427,475 of Personal Service Limitation. The recommendations include: increased appropriations for security and transport staffing needs (\$717,769); carry-over expenses from FY 2013-14 (\$5,732,666); Inmate medical costs - including revised estimates for Hepatitis C treatments (\$4,468,829); overtime (\$1,392,647); increased utilities and maintenance costs (\$736,506); and food costs and other inmate per diem expenses (\$361,639). Additional recommendations concerning FY 2014-15 appropriations for the Vocational and Life Skills program are identified below.

**Vocational and Life Skills Program** – LB 907 (2014) created the Vocational and Life Skills Program within the Department of Correctional Services. LB 907A provided FY 2014-15 base-year funding of \$5,000,000 General Funds (\$1,500,000 for operations and \$3,500,000 for aid). Due to a slower-than-anticipated start-up of this program, and because service provider proposals are just now being received by the agency, the recommendations include a one-time reduction to the agency's FY 2014-15 General Fund appropriations for this program of \$2,226,512 (\$476,512 for operations and

\$1,750,000 for aid). This will not reduce the ongoing intent of LB 907 or the agency's plan to provide \$3,500,000 annually in grants for vocational and life skills training services and programs.

The recommendations for the Vocational and Life Skills Program for both FY 2015-16 and FY 2016-17, maintain the original General Fund annual appropriation level of \$5,000,000 (\$1,500,000 operations and \$3,500,000 aid), with increases for employee salary and health insurance costs.

**Adult Operations** – The recommendations for the agency's Adult Operations programs, include an overall increase over the FY 2014-15 base year of \$15,972,789 (\$15,706,799 General Funds) in FY 2015-16 and of \$18,547,107 (\$18,162,607 General Funds) in FY 2016-17.

The recommendations include the following:

- Increase in General Funds for the inmate costs for food and other non-medical per diem expenses of \$1,061,343 in FY 2015-16 and of \$1,552,644 in FY 2016-17;
- Increase in General Funds for inmate costs for medical care (including revised estimates of costs for Hepatitis C treatments) of \$8,770,710 in FY 2015-16 and of \$11,050,102 in FY 2016-17;
- Increase in General Funds for the cost of expanding agreements to house inmates in county jail facilities from 150 to 200 (with additional case worker and transport staffing) of \$2,066,660 in FY 2015-16 and of \$2,018,660 in FY 2016-17;
- Increase in General Funds for the cost of additional security staffing of \$2,589,899 in FY 2015-16 and of \$2,538,978 in FY 2016-17.

### **EQUAL OPPORTUNITY COMMISSION (67)**

The recommendation reduces General Funds by \$58,000 in both FY 2015-16 and FY 2016-17 to recognize savings from one-time costs included in the agency's FY 2014-15 base, but not necessary to continuing operations.

The recommendations include additional Personal Service Limitation of \$22,285 in FY 2015-16 and of \$31,105 in FY 2016-17 to provide necessary funding for retirement costs for the Executive Director and a Unit Director in the upcoming biennium.

### **FIRE MARSHAL, STATE (21)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs and administrative assessments.

### **LAW ENFORCEMENT AND CRIMINAL JUSTICE, COMMISSION ON (78)**

The recommendation includes General Fund appropriation increases of \$77,168 in FY 2015-16 and of \$109,322 in FY 2016-17 to accommodate increases in rent and depreciation charges for the Law Enforcement Training Center facilities.

### **LIQUOR CONTROL COMMISSION (35)**

The recommendation provides for a continuation level of funding, with changes only for employee salary and health insurance costs and administrative assessments.

### **MILITARY DEPARTMENT (31)**

**Facility Sustainment and Maintenance** – The Nebraska Military Department, Army National Guard has facilities located in 24 communities across the state. The recommendation includes General Fund appropriation increases of \$55,000 in FY 2015-16 and \$44,000 in FY 2016-17 to provide additional support for facility maintenance and the National Guard military museum.

The Army National Guard provides policies and procedures for required personnel staffing levels relative to the size, facilities and asset value, and activity level of State Guard operations. The recommendation includes an increase of \$155,000 federal fund appropriation and \$120,000 Personal Service Limitation in both FY 2015-16 and FY 2016-17 to allow the agency to hire an Environmental Analyst and a Real Property Administration Specialist.

**Tuition Assistance** – The U.S. Army Federal Tuition Assistance (FTA) Program enacted new limitations for soldiers, effective January 1st, 2014, which places increased demand on the State Tuition Assistance Program. The Governor's recommendations include an increase of \$120,000 General Funds in both FY 2015-16 and FY 2016-17, as requested, to help address this need.

**Wildfire Suppression Costs** – LB 634 (2013) established the Wildfire Control Act of 2013. Pursuant to the Act, the Nebraska Emergency Management Agency (NEMA) is directed to contract for all costs to place one single-engine air tanker (SEAT) in Nebraska for use in fighting wildfires. The accompanying appropriations bill (LB 634A) provided \$300,000 General Funds to NEMA in FY 2013-14 and FY 2014-15. The agency has determined that the \$300,000 base appropriation does not allow NEMA to provide for a full 90-day operational window to cover the forest fire season. The recommendations provide an additional \$62,520 General Fund appropriation in both FY 2015-16 and FY 2016-17 to enable NEMA to be fully prepared to manage the SEAT costs.

### **PAROLE/PARDONS, NEBRASKA BOARD OF (15)**

The recommendations provide for a continuation level of funding, with changes only for employee salary and health insurance cost and administrative assessments.

### **PUBLIC ADVOCACY, COMMISSION ON (94)**

The recommendation reduces the agency cash fund appropriations by \$1,000 in both FY 2015-16 and FY 2016-17 for the Rural Practice Loan Repayment Assistance program, consistent with the intent of LB 907A (2014).

The recommendation provides for Cash Fund appropriation increases of \$3,234 in both FY 2015-16 and FY 2016-17 for increased rent charges for the agency offices.

The current Agency Director for the Commission will be retiring in FY 2015-16. The recommendations include cash fund appropriations of \$46,056 and Personal Service Limitation of \$40,000 in FY 2015-16 to provide for leave and retirement payouts.

### **STATE PATROL, NEBRASKA (64)**

**Communications Center Consolidation** – The State Patrol began a process to consolidate its six dispatch centers down to three in FY 2013-14. It will have closed two by the end of FY 2014-15 and plans to close the 3rd center in FY 2016-17. The recommendations include the agency request to reduce General Fund appropriations in the Command and Support program by \$108,856 in FY 2016-17.

**DROP Retirement Contributions** – State Patrol Troopers who enter the DROP program do not continue to contribute to the retirement plan. The agency also ceases making contributions to the plan at that time, although they must pay out any accumulated Comp Time and Holiday Comp Time. Due to the number of employees eligible for the DROP program and the estimated number expected to enter the program in the upcoming biennium, the recommendations include a General Fund increase of \$46,330 in FY 2015-16 and a General Fund decrease of \$34,046 in FY 2016-17 to reflect the costs for agency contributions. The recommendations also recognize a cash fund increase of \$4,028 in FY 2015-16 and a cash fund decrease of \$2,961 in FY 2016-17.

**Fleet and Facility Operations** – The recommendations include an increase of \$250,000 in General Funds in both FY 2015-16 and FY 2016-17 to provide additional funding for fleet vehicle purchases.

The State Patrol's FY 2014-15 budget for gasoline used an average price of \$3.70 per gallon. With current prices around \$2.00 per gallon, and with projections from the U.S. Energy Information Administration of the average price of gasoline through 2015 in the \$2.60 - \$2.65 range, the recommendations include a reduction in appropriations for gasoline of \$250,000 General Funds and \$44,000 cash funds in both FY 2015-16 and FY 2016-17.

The State Patrol's current crime lab facility is 13,032 square feet. The new crime lab facility under construction will have 25,000 square feet. Utility and Maintenance costs will be higher for the new facility. The Governor's recommendations include the agency request for a General Fund increase of \$124,636 in both FY 2015-16 and FY 2016-17 to recognize the higher costs.

**Public Safety Communication System** – The Nebraska State Patrol is a primary user of the Public Safety Communication System for the state. The original radios, dispatch equipment, in-car

repeaters, amplifiers, computers and other electronics are at the end of their useful life and need to be replaced. The recommendations include increased cash fund appropriations of \$622,890 in FY 2015-16 and of \$3,122,890 in FY 2016-17 for the State Patrol to finance the replacement equipment in the upcoming biennium. The recommendations further recognize that the additional cash funding available by statute for the Public Safety Communication System beginning in FY 2016-17, allows for a reduction in General Fund spending from that program of \$1,084,536 in FY 2016-17.

### **SUPREME COURT (05)**

**Court Improvement Projects Administration** – Currently the Supreme Court contracts with the University of Nebraska’s Center for Children, Family, and the Law (CCFL) to administer two youth programs – the Crossover Youth Practice Model (CYPM) and the Juvenile Justice Court Improvement Project (JJCIP). The Supreme Court submitted a deficit request for FY 2014-15 and a budget request for FY 2015-16 and FY 2016-17 to increase Personal Service Limitation (PSL) in their operating and community corrections programs to allow the Court to create new positions in order to shift the administration of these two programs from the CCFL to the Court. The Governor’s recommendations do not provide for these changes as no specific shortcomings in the current process were identified and it is unclear how performing this function internally with additional agency FTE would prove more efficient or effective than is currently the case with the University contract.

**Judges’ Salaries and FICA Changes** – Consistent with recommendations concerning funding for other state employees’ salary changes, the recommendation provides for increases in the various State Judges’ salary programs to accommodate a 2.25% increase in each of FY 2015-16 (total General Fund increase of \$527,723) and FY 2016-17 (total General Fund increase of \$1,067,323)

The FICA maximum wage rate is increasing from \$123,000 in FY 2014-15 to \$128,400 in FY 2015-16 and to \$134,400 in FY 2016-17. The total combined increase in General Fund appropriations among all of the State Judges’ salary programs within the Supreme Court from these changes will be \$46,203 in FY 2015-16 and \$97,579 in FY 2016-17.

**Court Appointed Special Advocate (CASA) Cash Fund Appropriation Reduction** – LB 463 (2011) created the CASA Cash Fund and provided transfers into this fund from the Public Advocacy Operations Cash Fund. There is no continuing revenue source for the CASA Fund. The Governor’s recommendations include the agency request to reduce the cash fund appropriation by \$210,000 in both FY 2015-16 and FY 2016-17.

**Court Employee Salary Adjustments** – The Supreme Court contracted with the National Center for State Courts (NCSC) to conduct a salary comparability study relative to court and probation employees, receiving the survey results in January 2014. During the 2014 legislative session, the Court, at its budget hearing with the Appropriations Committee, requested an increase in Personal Services Limitation (PSL) to allow implementation of the salary survey recommendations. As identified in the Legislature’s publication titled State of Nebraska FY 2013-14 and FY 2014-15 Biennial Budget As Revised in the 2014 Legislative Session, dated May 2014: “Only PSL was requested as the agency would use carryover funds, an estimated \$4.5 million, to fund this salary increase in FY 2014-15...The Legislature approved only a portion of the request increasing the salary limit by \$1.5 million so that the \$4.5 million carryover funds would cover both the FY 2014-15 increase as well as the two years of the following biennium.” In August 2014 (FY 2014-15) the Court initiated salary adjustments equivalent to 75% of the proposed NCSC survey recommendation totals. The Supreme Court budget request includes additional appropriation amounts in FY 2015-16 and FY 2016-17 to cover the continued cost of 75% of the NCSC survey-recommended salary adjustments for the biennium.

The Supreme Court also requested additional appropriations and PSL in FY 2015-16 and FY 2016-17 to implement the remaining 25% of the NCSC survey-recommended salary adjustments.

The recommendation provides for additional PSL of \$1,836,897 in both FY 2015-16 and FY 2016-17 to allow the Supreme Court to continue the initial salary increase implemented by the Court in FY 2014-15. The recommendation, consistent with the decision by the Legislature, authorizes reappropriation (carry-over) of all court unexpended General Fund balances at June 30, 2015, to provide funding for the initial NCSC recommended salary changes through FY 2016-17 as previously approved by the Legislature.

The recommendations do not include funding the additional 25% NCSC survey amounts, however, additional appropriations and PSL of 2.25% have been recommended in each fiscal year, consistent with the salary recommendations for other state employees.

**Interpreter Services** – With the need for interpreter services on the rise, the recommendations include an additional \$250,000 General Funds each fiscal year for contract interpreter services.

**Juvenile Court Jurisdiction** – LB 464 (2014) established a phased-in approach to when juvenile offenders are placed under Juvenile Court jurisdiction. The recommendation annualizes LB 464A through FY 2015-16, provides for the addition of 22 new Probation staff and an overall increase of \$2,970,373 General Funds. The recommendation for FY 2016-17, provides for a new staffing total of 41 FTE, with an overall General Fund appropriation of \$5,119,877.

**Office of Public Guardian** – LB 920 (2014) established the Public Guardianship Act and the Office of Public Guardian. The operative date for the Act was January 1, 2015. The recommendation includes the full-year cost of 18 new FTE (\$1,504,821) and recognizes the increase over FY 2014-15, which is \$618,134 General Funds and \$393,000 PSL for both FY 2015-16 and FY 2016-17.

**Probation Information Technology** – The Supreme Court requested funding for three additional FTE (IT Applications Analyst, Sr. Business Systems Analyst, and Help Desk Analyst), operating costs, and contract information technology consulting costs to update and upgrade two IT systems in use by Probation – the Nebraska Probation Application for Community Safety (NPACS) database system and the Problem Solving Court Management Information System (PSCMIS) database. The recommendations include funding for two of the positions and the data processing and operating costs, without the additional IT Consulting, totaling \$187,416 (\$97,000 PSL) in FY 2015-16 and \$223,416 (97,000 PSL) in FY 2016-17.

**Sherwood Foundation Grant** – The Supreme Court Administrative Office of Probation Services has applied for a grant from the Sherwood Foundation to implement juvenile justice evidence-based practices. The agency has not yet received a notice of award, however, the Court requests increased cash fund appropriation in the Probation Community Corrections program of \$2,285,000 in FY 2015-16 and \$1,677,000 in FY 2016-17, to provide the spending authority if the grant award is received. As the grant has not yet been awarded and because such grants can be accepted during the year with the approval of the Governor, the recommendations do not include this cash fund spending authority.

### **WORKERS' COMPENSATION COURT (37)**

The recommendation provides for a continuation level of funding, with changes for employee salary and health insurance costs and administrative assessments, as well as additional cash fund appropriations of \$16,610 in FY 2015-16 and \$27,915 in FY 2016-17 for increases in building rent.

## **PUBLIC FINANCE**

### **ADMINISTRATIVE SERVICES, DEPARTMENT OF (65)**

**Administrative Services** – The recommendation for FY 2015-16 includes an increase of General Fund appropriation of \$80,764, an increase of cash fund appropriation of \$254,283, and an increase of revolving fund appropriation of \$2,464,416.

The recommendation for FY 2016-17 includes an increase of General Fund appropriation of \$145,324, a decrease of cash fund appropriation of \$2,253,957, and an increase of revolving fund appropriation of \$2,704,221.

The General Fund appropriation supports employee salary and health costs and adjustments for administrative assessments.

The cash fund appropriation supports agency requested issues to establish a base for COBRA administration, provide compliance for federal requirements, establish funding for flex spending program administration, support employee salary and health costs and adjustments for administrative assessments. A decrease of cash fund appropriations for FY 2016-17 is related to the scheduled ending of project development funding for Metropolitan Class Cities and Primary Class Cities.

The revolving fund appropriation supports agency requested increases for an evaluation of the agency's technology and resources, to provide for information technology management for the agency, establish a base level of funding for the training program in State Personnel, and provide additional funding to support two buildings added to the state inventory.

The recommendation for revolving fund appropriation includes establishing a base appropriation and assessment for the Human Resources and Management System, also known as Workday.

**Office of the Chief Information Officer (OCIO)** – The recommendation for FY 2015-16 includes an increase of General Fund appropriation of \$9,614, an increase of federal funds by \$1,087,514, and an increase of revolving fund appropriation of \$12,978,155.

The recommendation for FY 2016-17 includes an increase of General Fund appropriation of \$17,059, a decrease of federal funds of \$1,087,514 due to the ending of all federal grants, and an increase of revolving fund appropriation of \$19,596,739.

The General Fund appropriation supports employee salary and health costs and adjustments for administrative assessments.

The revolving fund appropriation supports the OCIO's ability to meet the expected demand for the services provided by the OCIO to other state agencies for communications and information technology related activities.

**Office of the Capitol Commission** – The recommendation increases General Fund appropriation by \$398,572 for FY 2015-16 and \$607,602 for FY 2016-17. Included in this recommendation is support of the Commission request to increase repair and maintenance and to fund an expected increase in utility cost for the Capitol Building. Also included is \$8,765 in both years for apprenticeships within the commission.

**Interstate Water Litigation** – The recommendation creates a separate program and cash fund in the Department of Administrative Services for the payment of court ordered settlement costs related to the State of Kansas versus State of Nebraska Republican River Compact litigation. In November 2013, a special master recommended a \$5,500,000 settlement which is currently pending before the U.S. Supreme Court.

The recommendation provides a cash fund appropriation in FY 2014-15 of \$5,500,000 and transfers of up to \$5,500,000 from the Cash Reserve Fund to the Republican River Compact Litigation Contingency Cash Fund upon certification by the Nebraska Attorney General of the final order from the U.S. Supreme Court. Once the certification is received, the Director of Administrative Services would pay the court ordered settlement amount as directed.

### **AUDITOR OF PUBLIC ACCOUNTS (10)**

The State Auditor's Office requested \$15,000 General Funds in FY 2016-17 for the estimated cost of an agreement with the National Association of State Auditors, Comptrollers and Treasurers to conduct an independent, external peer review of the Auditor of Public Accounts' compliance with quality control and assurance standards established by the federal Government Accountability Office. The peer review is required once every three years. The actual cost of the peer reviews conducted in 2010 and 2013 were \$8,539 and \$8,394 respectively. The Governor's recommendations include appropriating \$10,000 General Funds in FY 2015-16 for this purpose.

### **INVESTMENT COUNCIL, NEBRASKA (75)**

The recommendation increases cash fund appropriation by \$54,778 for FY 2015-16 and \$256,663 for FY 2016-17. Included in this amount is \$20,000 in FY 2015-16 and \$40,000 in FY 2016-17 to provide a compensation pool for investment professionals of the agency. Also included is the Council's request for \$153,000 in FY 2016-17 for an expected increase in costs related to investment consulting services.

### **RETIREMENT SYSTEMS, NEBRASKA PUBLIC EMPLOYEES (85)**

**Administration** – The recommendation includes a cash fund appropriations increase of \$108,046 for FY 2015-16 and \$186,312 for FY 2016-17.

A historical analysis of appropriations over the last three years shows the agency has unused appropriations in excess of \$750,000 each year. Therefore, increases requested by the agency for administrative assessments and increases to rent related to the move to a new location are not included in the recommendation.

**Board Member Expenses** – The recommendation maintains the FY 2014-15 level of cash fund appropriations for FY 2015-16 and FY 2016-17 as requested by the agency.

**Retirement Plans of the State** – The agency administers five separate retirement systems for public employees.

<b>Plan</b>	<b>Comments</b>
State Employee Plan	Two different plans are administered for state and county employees; a defined contribution and cash balance plan. The employee contributes 4.8% of their salary to their respective plans.
County Employee Plan	The state matches 156% of state employee contributions and the county matches 150% of the county employee contributions. The defined contribution plan is closed to new employees. All new employees enter the cash balance plan, a hybrid defined benefit plan that guarantees a fixed return and allows for dividends to be paid. Members are not guaranteed a fixed monthly payment upon retirement.
Judges Retirement Plan	A defined benefit plan that guarantees a member a fixed monthly payment that is based upon salary and years of service. The maximum amount of salary that can be received upon retirement is 70%. Active members contribute 1% to 9% of pay, based upon years of service, into the plan. Additional Contributions are provided by a \$6 per case court fee. The contribution provided by court fees is equal to 223% of what is contributed by an active member.
Nebraska State Patrol Plan	A defined benefit plan that guarantees a member a fixed monthly payment that is based upon salary and years of service. The maximum amount of salary that can be received upon retirement is 75%. Active members contribute 16% of their salary into the plan and the State matches this amount. Active members do not pay into Social Security. Also, an active member must retire at age 60.
School Employee Plan	A defined benefit plan that guarantees a member a fixed monthly payment that is based upon salary and years of service. The maximum amount of salary that can be received upon retirement is 60%. Active members contribute 9.78% of their salary into the plan. The school district matches 101% of the active member contribution. The State of Nebraska contributes an amount equal to 2% of salary.

**Defined Benefit Plans Estimated Unfunded Liability** – The Retirement System’s consulting actuary has estimated additional contributions are required for the State Patrol Plan and the Judges Retirement Plan.

**State Patrol Plan** – The recommendation includes a General Fund appropriation of \$3,866,737 for FY 2015-16 and \$3,200,000 for FY 2016-17.

The recommendation also includes \$786,321 for FY 2015-16 for a one-time catchup for State Patrol plan members who were called up for active military duty. State and Federal law requires the employer to make both the employee and employer contributions to a defined benefit retirement plan while a member is on active military duty. Going forward, the agency employer will make these required contributions from their operational budget.

**Judges Retirement Plan** – The recommendation includes a General Fund appropriation of \$749,849 for FY 2015-16 and \$624,000 for FY 2016-17.

**School Employee Plan** – The consulting actuary indicates no need for additional contributions to the plan. The recommendation includes a General Fund appropriation of \$42,944,099 for FY 2015-16 and \$43,200,000 for FY 2016-17. Included in these amounts is \$41,946,241 in FY 2015-16 and \$42,300,000 in FY 2016-17 for the State’s 2% match of salary under the School Employees Retirement plan and the Class V School Employees Retirement plan. Also included is \$997,858 in FY 2015-16 and \$900,000 in FY 2016-17 for the Class V School Service Annuity.

**REVENUE, DEPARTMENT OF (16)**

The recommendation for Department of Revenue operations provides for a total funds reduction of 2.13% in FY 2015-16 and a reduction of 0.87% in FY 2016-17 compared to the current FY 2014-15 base appropriation. The General Fund recommendation represents an increase of 0.72% in FY 2015-16 and a 3.65% increase in FY 2016-17, relative to the current FY 2014-15 base appropriation for agency operations.

Highlights of the recommendations for Department of Revenue operations include:

**Annualize the Appropriation for Various Legislative Bills** – The Legislature has enacted a number of bills during the past two years that included A-Bills indicating an impact on the Department of Revenue’s Revenue Administration program during the upcoming biennium. The recommendation

includes a net reduction of \$358,457 General Funds in FY 2015-16 and a net reduction of \$366,184 General Funds in FY 2016-17 to annualize the appropriation for the following bills:

- LB 191 (2014) – Nebraska Job Creation and Mainstreet Revitalization Act
- LB 814 (2014) – All-Terrain Vehicle/Utility-Type Vehicle sales tax computer system changes
- LB 867 (2014) – Municipal review of sales and use tax information
- LB 987 (2014) – Social security and military retirement income tax computer system changes

**Rebase Motor Fuels Tax Administration Appropriation** – The Department of Revenue's annual expenditures in the Motor Fuels Tax Administration program indicates there is an amount of unneeded, excess appropriation for the program. The recommendation reduces the cash fund appropriation by \$300,000 and Personal Service Limitation (PSL) by \$100,000 each year.

**Property Assessment Division Fund Shift** – The Property Assessment Division Cash Fund contains a current balance that is in excess of the amount required to administer the statutory responsibilities of the Property Assessment Division. The recommendations include a one-time fund shift in FY 2015-16, increasing the cash fund appropriation by \$250,000 and reducing the General Fund appropriation by \$250,000, to reduce this excess fund balance.

**Lottery Contracted Vendor Services** – The Lottery Division of the Department of Revenue is a state-operated business enterprise generating proceeds for K-12 education, higher education scholarships, environmental grants, the Nebraska State Fair, and for the Compulsive Gamblers Assistance Fund. The Lottery's online lottery and scratch ticket vendor contract is based on a percentage of lottery sales. The Lottery Division requested increases of \$174,660 cash funds in FY 2015-16 and \$401,370 cash funds in FY 2016-17 for lottery vendor contract costs based on their estimate of the growth in lottery sales. The recommendation does not include this requested increase as an evaluation of the Division's base level of funding and a reduction in lottery sales during FY 2013-14 indicates there is some flexibility within the existing appropriation. The Department is encouraged to monitor lottery sales during the next year in the context of the total program appropriation and utilize the mid-biennial budget adjustment process in the event an appropriation increase is needed.

**Rebase Charitable Gaming Operations Program Appropriation** – The recent actual expenditure amounts for the Charitable Gaming Operations Program demonstrate that a base appropriation adjustment may be made to the program without in any way negatively affecting the ability of the Department to regulate charitable gaming activity in the state. The recommendation includes a reduction in the cash fund appropriation by \$300,000 and PSL by \$200,000 each year.

**Charitable Gaming Operations Fund Transfer** – The Charitable Gaming Operations Fund contains a current balance that is in excess of the amount required to regulate and enforce the charitable gaming laws of the state. The recommendation includes a transfer of \$2,000,000 from the Charitable Gaming Operations Fund to the General Fund in FY 2015-16.

**Tobacco Products Administration Cash Fund Transfer** – Section 77-4025, R.R.S., provides that any excess receipts in the Tobacco Products Administration Cash Fund may be transferred to the General Fund at the direction of the Legislature. The recommendation includes a transfer of \$13,000,000 in FY 2015-16 and \$10,000,000 in FY 2016-17 from the Tobacco Products Administration Cash Fund to the General Fund to operationalize the lapse of excess funds during the 2015-2017 biennium.

**Severance Tax Administration Cash Fund Transfer** – The Severance Tax Administration Cash Fund contains a current balance that is in excess of the amount necessary to administer and collect the severance tax during the upcoming two year budget cycle. The recommendation includes a transfer of \$150,000 from the fund to the General Fund in each of FY 2015-16 and FY 2016-17.

The Department of Revenue also currently administers three aid programs. They are the Homestead Exemption Program, the Property Tax Credit Program and the Home Energy Conservation Improvement Program. The recommendations for the department's aid programs include:

**Homestead Exemption Reimbursement to Political Subdivisions** – The Homestead Exemption program provides direct relief from property taxes to eligible persons by exempting all or a portion of the valuation of the homestead from taxation. The State reimburses local governments for the taxes lost due to homestead exemptions. The Department has indicated that the homestead exemption tax loss experienced by local governments to be reimbursed by the State during FY 2014-15 is \$67,400,000, which is \$6,121,000 less than was appropriated. The Department estimates that the program will require \$71,000,000 General Funds in FY 2015-16 and \$73,000,000 General Funds in FY 2016-17. The Governor recommends appropriations consistent with the department's estimates.

**Increase Property Tax Credit Program funding** – The recommendation includes the appropriation of \$200 million in FY 2015-16 and FY 2016-17, an increase of \$60,000,000 each year to

further expand property tax relief provided via the Property Tax Credit Act originally enacted in 2007. The Act provides a property tax credit based upon the valuation of each parcel of real property compared to the valuation of all real property in the state. The state property tax credit is shown on tax statements as a credit after the full taxes levied by local governments. The \$60,000,000 appropriation increase, in concert with the requisite increase in the General Fund transfer to the Property Tax Credit Cash Fund, represents a 43% increase in the state's commitment to real property tax relief for Nebraskans through the Property Tax Credit Program.

**Home Energy Conservation Improvement Program** – The Home Energy Conservation Improvement Program pairs matching dollars remitted by entities producing, distributing, or transmitting electricity with state General Funds to provide energy conservation grants to eligible low-income persons for installing an energy conservation improvement in their residence. Section 66-1015, R.R.S, provides that no later than September 1, 2014, eligible entities planning on administering an energy conservation improvement program shall have notified the Department of Revenue of the amount the entity plans to remit for the upcoming biennium. No eligible entities have notified the Department of plans to remit matching funds to participate in the program for two consecutive biennia. Consequently, the recommendation does not include funding for the program.

**Commission on Problem Gambling** – The Commission on Problem Gambling, which is located in the Department of Revenue's Charitable Gaming Division for administrative purposes, requested an increase of \$200,000 cash funds each year to expand access to treatment services in the state for individuals suffering from a gambling disorder. The recommendation increases the Commission's appropriation for contractual state aid by \$200,000 cash funds in FY 2015-16 and FY 2016-17. This increase will also allow the Commission to spend down an excess cash fund balance that has accrued in the Compulsive Gamblers Assistance Fund. The recommendation also increases the annual transfer from the Charitable Gaming Operations Fund to the Compulsive Gamblers Assistance Fund by \$200,000 annually beginning in FY 2017-18 in order to sustain the expanded access to treatment services.

### **TAX EQUALIZATION AND REVIEW COMMISSION (93)**

The Tax Equalization and Review Commission has three primary duties: hearing and deciding valuation appeals; the equalization of real property assessments for purposes of taxation within each county; and hearing and deciding petitions from the county boards of equalization. The recommendation for the Tax Equalization and Review Commission provides for a total funds increase of 1.16% in FY 2015-16 and a 3.54% increase in FY 2016-17 compared to the current FY 2014-15 base appropriation.

**Restore Base Following Temporary Fund Shift** – In 2010, during the development of the 2011-2013 biennial budget, a temporary fund shift reducing General Funds and increasing cash fund appropriations was included in the Commission's budget in an effort to reduce an excess cash fund balance. The recommendation includes restoring the appropriation base following this temporary fund shift. The recommendation increases the General Fund appropriation by \$45,000 in each of FY 2015-16 and FY 2016-17 and reduces the cash fund appropriation to a sustainable annual level based on estimated annual revenue.

### **TREASURER, STATE (12)**

The recommendation for the State Treasurer's Office provides for a General Fund reduction of 1.38% in FY 2015-16 and a 0.03% increase in FY 2016-17 compared to the current FY 2014-15 base appropriation.

**Reduce Excess Budgeted Personal Services Expense** – By taking advantage of new technology the State Treasurer's Office has been able to reduce the required level of staffing in the State Disbursement Unit (SDU). The Treasurer's Office has indicated that the appropriation related to vacant budgeted positions can now be reduced with no impact to the services provided by the agency. The recommendation includes a reduction in the appropriation to the State Disbursement Unit by \$19,732 General Funds and 29,597 federal funds in each of FY 2015-16 and FY 2016-17 to account for this savings.

**Reduced Postage and Printing Expense** – The Child Support State Disbursement Unit has made efforts in enrolling custodial parents to receive their child support statements and payments electronically, instead of printing and mailing statements and warrants. This provides cost savings for the State Disbursement Unit, both in postage and printing expenses. The agency requested a reduction in the

appropriation for the SDU as a result of this expected savings. Consistent with the agency request, the recommendation includes a reduction of \$6,000 General Funds and \$9,000 federal funds in FY 2015-16 and FY 2016-17.

**Treasury Management Reduced Expenses** – The amount allocated by the Treasurer’s Office for contracts with vendors for software maintenance and support declined by \$8,000 in the request submitted for the 2015-2017 biennium. The recommendations include reducing the appropriation to the Treasury Management Program by \$8,000 cash funds in both FY 2015-16 and FY 2016-17 consistent with the agency request.

**Unclaimed Property Marketing and Outreach** – The Treasurer’s Unclaimed Property program requested \$86,626 Cash Funds in both FY 2015-16 and FY 2016-17 to further expand marketing and outreach. This follows a recent increase in the Unclaimed Property program’s appropriation of \$90,000 each year for this purpose, which represented a 15% increase in the Unclaimed Property budget. The recommendations do not include this new requested increase.

**Long-Term Care Savings Program** – The Treasurer’s Office has identified \$18,000 of excess General Fund appropriation in the program and requested a reduction of that amount for both FY 2015-16 and FY 2016-17, which the Governor recommends. The Governor also recommends a reduction of \$20,000 General Funds in the current FY 2014-15. The Long-Term Care Savings Program has also accumulated a large reappropriation balance that is not needed to cover program expenses. The recommendation reduces the General Fund reappropriation in the program by \$150,000 in FY 2014-15.

**Sports Arena Facility Financing Assistance** – The recommendation includes an increase in the appropriation to the Sports Arena Facility Financing Assistance Program of \$835,000 cash funds for FY 2015-16 and \$935,000 cash funds for FY 2016-17. The recommendation will provide a total estimated appropriation of \$2,100,000 cash funds in FY 2015-16 and \$2,200,000 cash funds in FY 2016-17 to reflect the amount of state sales tax revenue estimated by the Department of Revenue to be attributable to the current approved facility under the act.

**Convention Center Facility Financing Assistance** – The Department of Revenue recently certified to the State Treasurer that the amount of state sales tax revenue collected by retailers and operators doing business at an approved convention and meeting center facility, sports arena facility, or associated hotel for the period July 1, 2013 through June 30, 2014 is \$4,021,225. The recommendations include \$4,021,225 cash funds in FY 2014-15 to allow the sales tax turnback payments to be made. Further, the recommendation includes an estimated \$4,100,000 cash funds for each of FY 2015-16 and FY 2016-17 for the Convention Center Facility Financing Assistance Program to reflect the amount of state sales tax revenue estimated by the Department of Revenue to be attributable to the current two approved facilities under the act during those years.

**Convention Center Support Fund Transfer** – The Convention Center Support Fund has accumulated an unobligated balance due to investment interest accruing to the fund since the inception of the Convention Center Facility Financing Assistance Act. Since the source of revenue to the fund is state General Fund sales tax revenue, the recommendation transfers \$150,000 of the unobligated balance to the General Fund in FY 2015-16.

## TRANSPORTATION

### **AERONAUTICS, DEPARTMENT OF (17)**

The recommendation decreases the cash fund appropriation by \$4,750,231 for FY 2015-16 and \$7,779,387 for FY 2016-17. This recommendation recognizes a reduction in the amount of money received from the Federal Aviation Administration for funding of airport improvements.

The recommendation includes the agency’s request for a cash fund appropriation increase for repair work to the Scribner State Airfield Runway of \$3,156,342 in FY 2015-16 and \$314,932 in FY 2016-17 and a cash fund appropriation increase of \$93,470 in FY 2015-16 for replacement of Automated Weather Observation System components.

The agency’s request for additional cash fund appropriation of \$750,000 each year to increase funding for infrastructure work at Nebraska airports is not included in the recommendation.

### **MOTOR VEHICLE LICENSING BOARD (40)**

The recommendations provide for a continuation level of funding, with changes only for employee salary and health insurance costs and adjustments for administrative assessments.

### **MOTOR VEHICLES, DEPARTMENT OF (24)**

The recommendation increases cash fund appropriations by \$8,726,237, federal fund appropriation by \$1,222,214, and Personal Service Limitation (PSL) by \$364,934 for FY 2015-16. The recommendation increases cash fund appropriation by \$3,854,271, decreases federal fund appropriation by \$89,191, and increases PSL by \$523,810 for FY 2016-17.

Included in these amounts is \$310,127 of cash funds in each fiscal year to continue the Nebraska Systems Update and Modification project. This project will be used to define the size and scope of a new Vehicle Titling and Registration System. The recommendation provides funding for salary and health costs and administrative assessments.

**New License Plates** – The recommendation includes cash fund appropriation of \$8,106,019 in FY 2015-16 and \$2,954,767 in FY 2016-17 for the manufacture and issuance of new license plates.

### **ROADS, DEPARTMENT OF (27)**

The total cash fund recommendation for Nebraska Department of Roads over the 2015-2017 biennium, including operations, government aid, highway construction, and capital facilities construction is based upon an estimated motor fuel tax of 26.4 cents per gallon. The Department of Roads receives approximately 70% of the fuel tax revenues and the remaining 30% is shared equally by the cities and counties in the state. Federal funds are based on a consistent level of funding assuming Congress provides full funding for federal fiscal year 2015 of approximately \$292 million.

The recommendation includes an estimated Surface Transportation Program size, including the Build Nebraska Act, of \$463 million in FY 2015-16 and FY 2016-17 based on a state Highway Cash Fund appropriation of \$400 million per year. In order for the Department of Roads to continue completion of road construction and maintenance projects, the recommendation includes agency requests of: \$2 million increase for FY 2015-16 and FY 2016-17 for purchasing of heavy road equipment; \$3.2 million increase for FY 2015-16 and FY 2016-17 for highway maintenance materials (gas, oil, sand and gravel, salt); \$1,000,000 increase for additional tanks and brine makers; \$2.8 million increase for FY 2015-16 and FY 2016-17 to increase repairs of buildings, highways, and bridges; \$3.6 million in FY 2016-17 to begin implementing three information technology projects; \$1.1 million for FY 2015-16 and FY 2016-17 for repairs to administrative buildings; \$12.5 million in FY 2016-17 for land purchase for the Lincoln South Bypass, \$8 million increase for FY 2015-16 and FY 2016-17 for additional engineers and architects expenses; \$8 million increase for FY 2015-16 and FY 2016-17 for the Federal Aid Buy Back program begun in FY 2014-15, and an increase of \$5,350,000 for FY 2016-17 to begin work to upgrade the capital facilities of the Central Office Complex in Lincoln.

LB 84 (2011), the Build Nebraska Act, provides ¼ of 1 percent of General Fund sales tax revenue to be transferred to the Department of Roads for roads construction. The recommendation includes \$63 million for FY 2015-16 and FY 2016-17 to be available to the agency to be used for construction of the expressway system, federally designated high priority corridors, and surface transportation projects of the highest priority as determined by the Department.

The recommendation includes an agency requested cash fund increase of \$25 million in FY 2015-16 and FY 2016-17 in the Highway Construction program for increased expenditures associated with the payment of previous year's highway construction projects let to construction from increased federal funds received by Nebraska.

**Public Transportation Aid** – The recommendation for cash fund authority for the Transit Aid for Intercity Bus Service is increased by \$406,517 in FY 2015-16 and \$439,821 for FY 2016-17. This will allow the state to take full advantage of available federal funds designated for this purpose.

# **SALARY AND HEALTH BENEFITS**

## **STATE OFFICIALS AND EMPLOYEES SALARIES**

The Governor's budget recommendations were completed before agreements were reached and ratified with state employees represented by the National Association of Public Employees Local 61 of the American Federation of State, County and Municipal Employees (NAPE/AFSCME), the State Law Enforcement Bargaining Council (SLEBC) and the State Code Agency Teacher's Association (SCATA).

The recommendations include additional funding equivalent to 2.25% of salaries in FY 2015-16 and FY 2016-17 for employees of constitutional offices, and non-higher education agencies, boards and commissions whose employees are discretionary, at-will, classified, or represented by NAPE/AFSCME.

The recommendations include additional funding equivalent to 3.3% of salaries in FY 2015-16 and FY 2016-17 for state agency employees represented by SLEBC.

The Governor's recommendation also includes additional funding equivalent to 2.25% of judges' salaries for judges in the state and county court system in FY 2015-16 and FY 2016-17.

Current law does not provide a salary increase for constitutional officers during FY 2015-16 and FY 2016-17. No additional funding has been included in the Governor's recommendation.

The Governor's recommendation includes \$10.0 million General Funds, \$5.0 million cash funds, \$3.9 million federal funds, and \$0.8 million revolving funds in FY 2015-16 and \$20.2 million General Funds, \$10.0 million cash funds, \$7.9 million federal funds, and \$1.7 million revolving funds in FY 2016-17, or \$19.7 million and \$39.8 million total funds each fiscal year, respectively, to finance the recommendations noted for non-higher education employees. The Governor's overall budget recommendations provide adequate margin and flexibility to resolve the funding requirements of state labor contracts when they are finalized for the 2015-2017 budget biennium.

## **STATE EMPLOYEE HEALTH BENEFITS**

The Governor's recommendations include additional funding equivalent to 12.7% and 5.0% for non-higher education state agencies, boards, and commissions for the employer share of estimated increases in state employee health benefit costs in FY 2015-16 and FY 2016-17. The recommendation includes additional funding: \$8.6 million General Funds, \$4.4 million cash funds, \$3.3 million federal funds, \$0.6 million revolving funds in FY 2015-16 and \$12.4 million General Funds, \$6.3 million cash funds, \$4.8 million federal funds, and \$0.9 million revolving funds in FY 2016-17, or \$16.9 million and \$24.4 million total funds each year, respectively, to finance these state employee benefits.

## **UNIVERSITY OF NEBRASKA AND STATE COLLEGE SYSTEM EMPLOYEES**

The Governor's budget recommendations for the University of Nebraska and State College system provide adequate funding for reasonable salary decisions and the financing of health benefit costs as are determined by their individual governing boards. The Governor's budget recommendations for these systems are shown elsewhere in this publication.



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# Capital Construction



# Capital Construction

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## **REAFFIRMATIONS**

Reaffirmation projects are on-going undertakings that have received appropriations in prior periods. Reaffirmations are made to address legislative intent language, to pay down debt service, or continue long-term projects intended to be completed in future years. Total funding recommendations include \$60,839,930 in FY 2015-16 and \$58,027,930 in FY 2016-17. Included in these total amounts are \$25,021,000 General Funds, \$32,703,930 cash funds, \$2,115,000 revolving funds, and \$1,000,000 Nebraska Capital Construction Funds (NCCF) for FY 2015-16; and \$22,239,000 General Funds, \$32,673,930 cash funds, \$2,115,000 revolving funds, and \$1,000,000 Nebraska Capital Construction Funds (NCCF) for FY 2016-17. In addition, \$174,446,541 is scheduled to be reaffirmed from all fund types in future biennia.

### **The projects to be reaffirmed include:**

**Security System Upgrades** – This project continues infrastructure and maintenance project funding for various facilities at the Department of Correctional Services. The recommendations include \$1,000,000 NCCF in both FY 2015-16 and FY 2016-17.

**State Airfield Projects** – The recommendation includes the Department of Aeronautics' request for a capital construction cash fund appropriation of \$30,000 in FY 2015-2016 to demolish the manager's residence at the Scribner Airfield.

**State Capitol Improvements** – The FY 2015-16 and FY 2016-17 recommendations include General Fund appropriations of \$500,000 for renovation of the interior space of the State Capitol.

**309 Task Force** – The recommendation provides \$21,273,930 cash fund appropriations for funding the continuation of the Deferred Building Renewal Act.

**Higher Education Renovation Projects** – The recommendation provides \$11,000,000 General Funds for each fiscal year of the biennium to repay bonds issued by the University System following the passage of LB 605 (Laws 2006). The state funding is matched with student fees of \$11,000,000 each year. The bond funding enabled the University to complete renovation projects across the four main campuses.

The recommendation provides \$1,125,000 General Funds for each year of the biennium to repay bonds issued by the State Colleges following the passage of LB 605 (Laws 2006). The state funding is matched with student fees of \$1,200,000 each year. The bond funding enabled the State Colleges to complete renovation projects at each of the three colleges.

**Nebraska State College System Board of Trustees Facilities Fee Fund Projects** – Nebr. Rev. Statute 85-328, amounts accumulated in the State College Facility Fee Fund are authorized to be expended on capital improvement projects approved by the Board of Trustees. The recommendation provides \$915,000 revolving funds for FY 2015-16 and FY 2016-17 with \$3,660,000 designated for future use.

**Nebraska State College System** – Neb. Rev. Statutes 13-2704 specifies transfers of \$400,000 in each fiscal year from the Civic and Community Center Financing Fund to the State Colleges Sport Facilities Fund. The recommendation includes cash fund appropriation of \$400,000 in FY 2015-16 and FY 2016-17 and \$800,000 in future years.

The funds are dedicated to support renovation and construction of, or improvements to, intercollegiate athletic facilities for student fitness, recreation and sports activities. Priorities identified are flooring, fitness equipment, renovations to auditoriums, recreation centers and stadiums, track surfacing, field surface renovation, walking trails, natatorium renovations and press box improvements.

**Nebraska State College System** – The recommendation provides \$2,216,000 General Funds in FY 2015-16 and FY 2016-17 and \$8,864,000 in future years for Chadron State College Rangeland Center and Wayne State College U.S. Conn Library.

**NCTA – Curtis Education Center** – The recommendation includes \$820,000 General Funds in FY 2015-16 and FY 2016-17 with \$7,106,135 designated for future use.

**University of Nebraska** – The recommendation provides \$5,101,000 General Funds in FY 2016-17 and \$31,292,000 in future years for the Veterinary Diagnostic Center. The General Fund appropriations of \$5,101,000 provided in each of FY 2013-14 and FY 2014-15 are reappropriated and available in FY 2015-16.

**University of Nebraska** – The recommendation provides \$1,477,000 General Funds in FY 2015-16 and FY 2016-17 and \$7,569,000 in future years for the College of Nursing Building – Lincoln Division.

**Museum Renovation** – The recommendation includes \$3 million General Funds in FY 2015-16 for renovation of the Nebraska State Historical Society Museum.

### **NEW CAPITAL CONSTRUCTION**

New capital requests are undertakings that will be initiated in the new biennium. Total funding recommendations include \$23,857,698 in FY 2015-16 and \$19,510,898 in FY 2016-17. Included in these amounts are \$1,361,800 General Funds, \$19,830,000 cash funds, \$1,620,000 federal funds, and \$1,045,898 revolving funds in FY 2015-16; and \$17,670,000 cash funds, \$795,000 federal funds, and \$1,045,898 revolving funds in FY 2016-17. In addition, \$41,941,003 is scheduled to be reaffirmed from all fund types in future biennia.

#### **New capital construction projects include:**

**Military Paving and HVAC Projects** – The recommendation includes a total of \$1,620,000 Federal Funds in FY 2015-16 and \$795,000 Federal Funds in FY 2016-17, to fund a number of parking lot paving projects at various Readiness Centers and a facilities maintenance building at the Camp Ashland Training Facility.

**Game and Parks Commission various projects** – The recommendation includes cash fund appropriation in the amount of \$14,830,000 in FY 2015-16 and \$7,320,000 in FY 2016-17. The projects encompass state park facility improvements, state park deferred maintenance, improvements to state parks, state historical parks, state recreation areas and wildlife management areas, administrative facilities, fish production facilities, emergency repairs and aquatic habitat facilities.

- Administrative projects include a new maintenance shop.

#### ***Specific major state park projects include:***

- Mahoney State Park – upgrade and repair of cabins
- Platte River State Park – upgrade and repair of cabins
- Indian Cave State Park – enhance visitor center
- Chadron State Park – convert residence to cabin
- Outdoor Venture Park at Mahoney State Park – zip line
- Outdoor Venture Park at Mahoney State Park – toboggan run, Alpine slide, zorbing tower/run
- Outdoor Venture Park at Mahoney State Park – raging river water slide

#### ***Specific major state historical park area projects are:***

- Fort Kearney State Historical Park – update visitor center
- Ash Hollow State Historical Park – install ATV trails, parking lot, restrooms and picnic shelter

#### ***Specific state recreation area projects include:***

- Lake McConaughy SRA – construct large meeting room in visitor center
- Mormon Island SRA Campground – new shower/latrine facility adjacent to new campground
- Fremont State Recreation Area – new camping area for boaters
- Lake Minatare SRA Campground – new shower/latrine facility

**Convert Assisted Living Beds to Skilled Nursing Beds at WNVH** – The FY 2015-16 recommendation includes \$1,361,800 General Funds for renovation costs associated with the conversion of twelve Assisted Living beds at the Western Nebraska Veterans' Home to Skilled Nursing beds in order to address the needs of the veteran population. To finance the cost of the renovation, a \$1,361,800 reduction in the FY 2013-14 General Fund reappropriation balance is recommended.

**Department of Roads facilities** – The recommendation includes cash fund appropriations of \$5,000,000 for FY 2015-16 and \$10,350,000 for FY 2016-17. Of these amounts, \$5,000,000 each year is provided for construction/renovations of facilities within the various districts in the state. For FY 2016-17, \$5,350,000 is provided to begin the renovations of the Central and Hill Campus Facilities.

**Office of Chief Information Officer Data Center Risk Mitigation** – The recommendation includes revolving fund appropriations of \$1,045,898 for FY 2015-16 and FY 2016-17 and \$2,091,795 in future years. This funding is provided for the renovation of the 501 Building in Lincoln. This building houses the state's network and information technology infrastructure.

STATE OF NEBRASKA 2015-2017 BIENNIUM BUDGET - CAPITAL CONSTRUCTION SUMMARY

AGENCY	PROG. PROJECT DESCRIPTION	FUND	AGENCY REQUESTS			GOVERNOR'S RECOMMENDATIONS			
			FY 2014-15 Base	FY 2015-16	FY 2016-17	FUTURE	FY 2015-16	FY 2016-17	FUTURE
<b>REAFFIRMATION PROJECTS</b>									
<u>17 - Aeronautics</u>	917 Scribner Airfield Manager's Residence & Harvard Airfield Hangar	Cash	600,000	30,000	0	0	30,000	0	0
	Agency Totals		600,000	30,000	0	0	30,000	0	0
<u>25 - HHS</u>	919 Hastings Regional Center Bldg No. 3 Renovation	Gen	224,000	4,883,000	0	0	4,883,000	0	0
	919 Hastings Regional Center Bldg No. 3 Renovation	NCCF	789,000	0	0	0	0	0	0
	930 Hastings Correctional Behavioral Health Program Statement	Gen	200,000	0	0	0	0	0	0
	942 Lincoln Regional Center Kitchen Replacement	Gen	884,444	0	0	0	0	0	0
	Agency Totals		2,097,444	4,883,000	0	0	4,883,000	0	0
<u>46 - Corrections</u>	914 Infrastructure and Maintenance	NCCF	1,500,000	0	0	0	1,000,000	1,000,000	0
	914 Infrastructure and Maintenance Continuation	Gen	0	1,000,000	1,000,000	0	0	0	0
	917 Corrections Capital Facilities Master Plan	NCCF	225,000	0	0	0	0	0	0
	921 TSCI Center Bay Addition	Rev	1,390,000	0	0	0	0	0	0
	Agency Totals		3,115,000	1,000,000	1,000,000	0	1,000,000	1,000,000	0
<u>46 - NETC</u>	928 Radio Transmission Equipment Replacement	Gen	140,000	0	0	0	0	0	0
<u>50 - State Colleges</u>	903 Sports Facilities Projects	Cash	250,000	400,000	400,000	800,000	400,000	400,000	800,000
	919 State College Facilities Program - Deferred Projects	Gen	1,125,000	1,125,000	1,125,000	3,375,000	1,125,000	1,125,000	3,375,000
	919 State College Facilities Program - Deferred Projects	Rev	1,200,000	1,200,000	1,200,000	3,600,000	1,200,000	1,200,000	3,600,000
	920 Board Facilities Fee Funded Projects	Rev	915,000	915,000	915,000	3,660,000	915,000	915,000	3,660,000
	933 CSC Rangeland Center and WSC Conn Library	Gen	2,216,000	2,216,000	2,216,000	8,864,000	2,216,000	2,216,000	8,864,000
	Agency Totals		5,706,000	5,856,000	5,856,000	20,299,000	5,856,000	5,856,000	20,299,000
<u>51 - Univ of Nebraska</u>	920 University Facilities Program	Gen	11,000,000	11,000,000	11,000,000	33,000,000	11,000,000	11,000,000	33,000,000
	920 University Facilities Program	Cash	11,000,000	11,000,000	11,000,000	28,632,546	11,000,000	11,000,000	28,632,546
	930 NCTA - Curtis Education Center	Gen	820,000	820,000	820,000	7,106,135	820,000	820,000	7,106,135
	939 Veterinary Diagnostic Center	Gen	5,101,000	5,101,000	5,101,000	26,191,000	0	5,101,000	31,292,000
	976 College of Nursing Building - Lincoln	Gen	1,477,000	1,477,000	1,477,000	7,569,000	1,477,000	1,477,000	7,569,000
	Agency Totals		29,398,000	29,398,000	29,398,000	102,498,681	24,297,000	29,398,000	107,599,681
<u>54 - Historical Society</u>	957 Lincoln Museum Renovation	Gen	2,500,000	3,000,000	0	0	3,000,000	0	0
	Agency Totals		2,500,000	3,000,000	0	0	3,000,000	0	0
<u>65 - Admin. Services</u>	901 State Capitol Improvements	Gen	500,000	500,000	500,000	4,000,000	500,000	500,000	4,000,000
	917 Capitol Courtyard Fountains	NCCF	2,500,000	0	0	0	0	0	0
	922 State Capitol HVAC Replacement Project	NCCF	11,701,900	0	0	0	0	0	0
	922 State Capitol HVAC Replacement Project	Gen	0	0	0	66,065,200	0	0	0
	940 Taskforce for Building Renewal	Cash	21,273,930	21,273,930	21,273,930	42,547,860	21,273,930	21,273,930	42,547,860
	Agency Totals		35,975,830	21,773,930	21,773,930	112,613,060	21,773,930	21,773,930	46,547,860
<b>TOTALS - REAFFIRMATION PROJECT REQUESTS</b>									
		Gen	26,187,444	31,122,000	23,239,000	156,170,335	25,021,000	22,239,000	95,206,135
		Cash	33,123,930	32,703,930	32,673,930	71,980,406	32,703,930	32,673,930	71,980,406
		Fed	0	0	0	0	0	0	0
		Rev	3,505,000	2,115,000	2,115,000	7,260,000	2,115,000	2,115,000	7,260,000
		NCCF	16,715,900	0	0	0	1,000,000	1,000,000	0
	<b>TOTAL</b>		79,532,274	65,940,930	58,027,930	235,410,741	60,839,930	58,027,930	174,446,541

STATE OF NEBRASKA 2015-2017 BIENNIAL BUDGET - CAPITAL CONSTRUCTION SUMMARY

AGENCY	PROG.	PROJECT DESCRIPTION	FUND	AGENCY REQUESTS			GOVERNOR'S RECOMMENDATIONS				
				FY 2014-15 Base	FY 2015-16	FY 2016-17	FUTURE	FY 2015-16	FY 2016-17	FUTURE	
<b>25 - HHS</b>											
<b>NEW CAPITAL PROJECTS</b>											
	923	WNVH Skilled Nursing - Skimmer Complex	Gen	0	1,361,800	0	0	0	1,361,800	0	0
		Reduce HHS Program 519 reappropriation as offset	Gen	0	1,361,800	0	0	0	1,361,800	0	0
		Agency Totals		0	1,361,800	0	0	0	1,361,800	0	0
<b>27 - Roads</b>											
	901	Facility Improvements - Hill Campus	Cash	0	4,100,000	0	0	0	0	4,100,000	0
	901	Facility Improvements - R.O.W. Building	Cash	0	400,000	0	8,736,533	0	0	400,000	8,736,533
	901	Facility Improvements - Aurora New Maint. Facility	Cash	0	3,700,000	0	0	0	0	0	0
	901	Facility Improvements - Arthur Office / Shop / Equipment	Cash	0	1,500,000	0	0	0	0	0	0
	901	Facility Improvements - Niobrara New Maint. Facility	Cash	0	2,800,000	0	0	0	0	0	0
	901	Facility Improvements - Central Building	Cash	0	850,000	4,650,000	20,928,950	0	0	850,000	25,578,950
	901	Facility Improvements - Operations Building	Cash	0	0	700,000	4,833,725	0	0	0	5,533,725
	901	Facility Improvements - Chadron New Maint. Facility	Cash	0	0	5,250,000	0	0	0	0	0
	901	Facility Improvements - Sidney Office / Shop / Equipment	Cash	0	0	2,350,000	0	0	0	0	0
	901	Facility Improvements - Statewide Small Projects	Cash	0	0	400,000	0	0	0	0	0
	901	Facility Improvements - Statewide	Cash	5,000,000	0	0	0	0	5,000,000	5,000,000	0
		Agency Totals		5,000,000	13,350,000	13,350,000	34,499,208	0	5,000,000	10,350,000	39,849,208
<b>31 - Military</b>											
	925	Federal Funded Projects - Camp Ashland Training Center	Fed	0	870,000	0	0	0	870,000	0	0
	927	Readiness Center - Sidney	Gen	0	235,000	0	0	0	0	0	0
	927	Readiness Center - Sidney	Fed	0	235,000	0	0	0	235,000	0	0
	927	Readiness Center - Scottsbluff	Gen	0	300,000	0	0	0	0	0	0
	927	Readiness Center - Scottsbluff	Fed	0	300,000	0	0	0	300,000	0	0
	927	Readiness Center - Lincoln	Gen	0	35,000	315,000	0	0	0	0	0
	927	Readiness Center - Lincoln	Fed	0	35,000	315,000	0	0	35,000	315,000	0
	927	Readiness Center - York	Gen	0	180,000	0	0	0	0	0	0
	927	Readiness Center - York	Fed	0	180,000	0	0	0	180,000	0	0
	927	Readiness Center - Broken Bow	Gen	0	0	180,000	0	0	0	0	0
	927	Readiness Center - Broken Bow	Fed	0	0	180,000	0	0	0	180,000	0
	927	National Guard Admin Center - Lincoln	Gen	0	0	300,000	0	0	0	0	0
	927	National Guard Admin Center - Lincoln	Fed	0	0	300,000	0	0	0	0	0
		Agency Totals		0	2,370,000	1,590,000	0	0	1,620,000	795,000	0
<b>33 - Game &amp; Parks</b>											
	900	State Park System Facility Improvements	Cash	800,000	1,000,000	1,000,000	0	0	1,000,000	1,000,000	0
	901	State Parks Facilities - Deferred Maintenance	Cash	21,699,883	1,730,000	2,550,000	0	0	1,730,000	2,550,000	0
	924	Wildlife Land Acquisition and Improvements	Cash	300,000	0	0	0	0	0	0	0
	960	Land Acquisition for Parklands	Cash	50,000	0	0	0	0	0	0	0
	967	Improvements to State Parks - Mahoney State Park	Cash	115,500	180,000	180,000	0	0	180,000	180,000	0
	967	Improvements to State Parks - Platte River State Park	Cash	0	0	150,000	0	0	0	150,000	0
	967	Improvements to State Parks - Museum - Indian Cave State Park	Cash	0	0	165,000	0	0	0	165,000	0
	967	Improvements to State Parks - Assistant Supt. Residence	Cash	0	50,000	0	0	0	50,000	0	0
	967	Improvements to State Parks - Outdoor Venture Parks - Zipline	Cash	0	1,000,000	0	0	0	1,000,000	0	0
	967	Improvements to State Parks - Outdoor Venture Parks - Toboggan Run	Cash	0	2,500,000	0	0	0	2,500,000	0	0
	967	Improvements to State Parks - Outdoor Venture Parks - Water Slide	Cash	0	2,500,000	0	0	0	2,500,000	0	0
	968	State Historical Areas - Fort Kearney Visitor Center	Cash	0	195,000	0	0	0	195,000	0	0
	968	State Historical Areas - ATV Trails - Ash Hollow State Park	Cash	0	750,000	0	0	0	750,000	0	0
	969	State Recreation Areas - Lake McConaughy Visitors Center	Cash	0	50,000	0	0	0	50,000	0	0
	969	State Recreation Areas - Mormon Island Campground Shower / Latrine	Cash	0	200,000	0	0	0	200,000	0	0
	969	State recreation Areas - New Camping Area for Boaters	Cash	0	200,000	0	0	0	200,000	0	0
	969	State Recreation Areas - Butte View Campground Shower / Latrine	Cash	0	0	200,000	0	0	0	200,000	0

STATE OF NEBRASKA 2015-2017 BIENNIUM BUDGET - CAPITAL CONSTRUCTION SUMMARY

AGENCY	PROG.	PROJECT DESCRIPTION	FUND	AGENCY REQUESTS			GOVERNOR'S RECOMMENDATIONS					
				FY 2014-15 Base	FY 2015-16	FY 2016-17	FUTURE	FY 2015-16	FY 2016-17	FUTURE		
Game & Parks cont.												
	969	State Recreation Areas - Wildcat Hills Nature Center	Gen	250,000	0	0	0	0	0	0	0	0
	969	State Recreation Areas - Wildcat Hills Nature Center	Cash	420,000	0	0	0	0	0	0	0	0
	971	Special Use Areas - Wildlife Management Areas	Cash	325,000	150,000	0	0	0	150,000	0	0	0
	972	Administrative Facilities - Headquarters Building A	Cash	0	750,000	0	0	0	750,000	0	0	0
	972	Administrative Facilities - Statewide	Cash	150,000	250,000	0	0	0	250,000	0	0	0
	973	Fish Production Facilities	Cash	75,000	75,000	75,000	0	0	75,000	75,000	0	0
	975	Emergency Repairs - State Park Areas	Cash	100,000	0	0	0	0	0	0	0	0
	976	Emergency Repairs - Statewide Facilities	Cash	50,000	75,000	0	0	0	75,000	0	0	0
	981	Aquatic Habitat Facilities	Cash	3,750,000	3,175,000	3,000,000	0	0	3,175,000	3,000,000	0	0
		Agency Totals		28,085,383	14,830,000	7,320,000	0	0	14,830,000	7,320,000	0	0
<b>50 - State Colleges</b>												
	931	CSC - Science and Mathematics	Gen	0	5,166,474	3,233,417	5,450,684	0	0	0	0	0
	931	CSC - Science and Mathematics	Cash	0	0	0	2,000,000	0	0	0	0	0
	956	WSC - Bentback Industrial Tech Facility	Gen	0	227,000	0	0	0	0	0	0	0
	980	NSCS - Energy Master Plan - Greenhouse	Gen	0	75,000	0	0	0	0	0	0	0
	990	PSC - Theater Renovation	Gen	0	70,000	0	0	0	0	0	0	0
	992	PSC - Neal Hall Biomass Energy Center	Gen	0	1,200,000	2,632,000	0	0	0	0	0	0
		Agency Totals		0	6,738,474	5,865,417	7,450,684	0	0	0	0	0
<b>65 - Admin. Services - OClO</b>												
	986	Data Center Risk Mitigation	Rev	0	1,045,898	1,045,898	2,091,795	1,045,898	1,045,898	2,091,795	1,045,898	2,091,795
		Agency Totals		0	1,045,898	1,045,898	2,091,795	1,045,898	1,045,898	2,091,795	1,045,898	2,091,795
<b>TOTALS - NEW CAPITAL PROJECT REQUESTS</b>												
			Gen	250,000	8,850,274	6,660,417	5,450,684	1,361,800	0	0	0	0
			Cash	32,835,383	28,180,000	20,670,000	36,499,208	19,830,000	17,670,000	39,849,208	19,830,000	39,849,208
			Fed	0	1,620,000	795,000	0	1,620,000	795,000	0	0	0
			Rev	0	1,045,898	1,045,898	2,091,795	1,045,898	1,045,898	2,091,795	1,045,898	2,091,795
			NCCF	0	0	0	0	0	0	0	0	0
			TOTAL	33,085,383	39,696,172	29,171,315	44,041,687	23,857,698	19,510,898	41,941,003	23,857,698	41,941,003
<b>CONSTRUCTION GRAND TOTALS</b>												
			Gen	26,437,444	39,972,274	29,899,417	161,621,019	26,382,800	22,239,000	95,206,135	26,382,800	95,206,135
			Cash	65,959,313	60,883,930	53,343,930	108,479,614	52,533,930	50,343,930	111,829,614	52,533,930	111,829,614
			Fed	0	1,620,000	795,000	0	1,620,000	795,000	0	1,620,000	795,000
			Rev.	3,505,000	3,160,898	3,160,898	9,351,795	3,160,898	3,160,898	9,351,795	3,160,898	9,351,795
			NCCF	16,715,900	0	0	0	1,000,000	1,000,000	0	1,000,000	0
			TOTAL	112,617,657	105,637,102	87,199,245	279,452,428	84,697,628	77,538,828	216,387,544	84,697,628	216,387,544

CAPITAL CONSTRUCTION SUMMARY





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# Current Biennium Appropriation Changes



**FY 2014-15 Deficit Requests and Governor's Recommendations**

Ag#	Agency	Prog#	Program	Issue Name	Oper/Aid/ Const	Fund Type	FY2014-15 Request	FY2014-15 Governor
005	SUPREME COURT	052	Court Operations	Court Improvement Project	PSL	PSL	153,000	0
005	SUPREME COURT	435	Community Corrections	Court Improvement Project	PSL	PSL	51,000	0
005	SUPREME COURT	435	Community Corrections	OJS Population - Staff Program	Operations	General		(1,429,886)
005	SUPREME COURT	435	Community Corrections	OJS Population - Staff Program	PSL	PSL		(271,419)
007	GOVERNOR	018	Policy Research Office	Leave payouts	Operations	General	30,524	0
007	GOVERNOR	018	Policy Research Office	Leave payouts	PSL	PSL	26,511	0
007	GOVERNOR	021	Office of the Governor	Leave payouts	Operations	General	113,859	9,300
007	GOVERNOR	021	Office of the Governor	Leave payouts	PSL	PSL	98,890	8,100
007	GOVERNOR	021	Office of the Governor	Operational excellence and performance management	Operations	General		45,000
012	STATE TREASURER	659	Long-Term Care Savings Program	Reduce excess FY2014-15 appropriation	Operations	General		(20,000)
012	STATE TREASURER	659	Long-Term Care Savings Program	Reduce reappropriation	Reapp	General		(150,000)
012	STATE TREASURER	665	Convention Center Financing	Sales tax turnback as certified by Dept. of Revenue	Aid	Cash		4,021,225
013	EDUCATION	158	Education Aid	School Breakfast Program	Aid	General	52,380	52,380
013	EDUCATION	158	Education Aid	Adjust TEEOA pursuant to actual insurance premium tax allocation	Aid	General	(1,181,754)	(1,181,754)
013	EDUCATION	614	Professional Practices Comm.	Professional Practices Commission PSL Increase	Operations	Cash	1,608	1,608
013	EDUCATION	614	Professional Practices Comm.	Professional Practices Commission PSL Increase	PSL	PSL	1,608	1,608
013	EDUCATION	614	Professional Practices Comm.	Leave payout - Professional Practices Commission	Operations	Cash	36,539	36,539
013	EDUCATION	614	Professional Practices Comm.	Leave payout - Professional Practices Commission	PSL	PSL	30,438	30,438
016	REVENUE	108	Homestead Exemption	Adjust Homestead Exemption appropriation based on actual tax loss	Aid	General	(6,121,000)	(6,121,000)
025	HEALTH AND HUMAN SERVICES	033	Administration	IV-E Disallowance	Operations	General	2,590,768	3,886,152
025	HEALTH AND HUMAN SERVICES	354	Child Welfare Aid	IV-E Disallowance	Aid	General	16,470,961	13,314,960
025	HEALTH AND HUMAN SERVICES	033	Administration	OJS Population - Staff Program	Operations	General	301,886	301,886
025	HEALTH AND HUMAN SERVICES	033	Administration	OJS Population - Staff Program	Operations	Federal	64,036	64,036
025	HEALTH AND HUMAN SERVICES	033	Administration	OJS Population - Staff Program	PSL	PSL	271,419	271,419
025	HEALTH AND HUMAN SERVICES	354	Child Welfare Aid	OJS Population & Services	Aid	General	1,128,000	1,128,000
025	HEALTH AND HUMAN SERVICES	033	Administration	Reallocation of Balancing Incentive Program funding	Operations	General	866,931	0
025	HEALTH AND HUMAN SERVICES	033	Administration	Reallocation of Balancing Incentive Program funding	Operations	Federal	866,932	0
025	HEALTH AND HUMAN SERVICES	348	Medical Assistance	Reallocation of Balancing Incentive Program funding	Aid	General	(866,931)	0
025	HEALTH AND HUMAN SERVICES	348	Medical Assistance	Reallocation of Balancing Incentive Program funding	Aid	Federal	(866,932)	0
025	HEALTH AND HUMAN SERVICES	347	Public Assistance	Direct portion of FY14 reappropriation to Child Welfare Aid	Reapp	General		Yes
025	HEALTH AND HUMAN SERVICES	353	Children's Commission	Funding transfer from DHHS to FCRO for Children's Commission	Operations	General		(94,000)
025	HEALTH AND HUMAN SERVICES	353	Children's Commission	Funding transfer from DHHS to FCRO for Children's Commission	PSL	PSL		(65,000)
025	HEALTH AND HUMAN SERVICES	354	Child Welfare Aid	Nebraska Families Collaborative contract and tribe funding	Aid	General	7,584,150	7,584,150
025	HEALTH AND HUMAN SERVICES	519	Veterans Homes	Reduce reappropriation to offset WNVH assisted living renovation	Reapp	General		(1,361,800)

**FY 2014-15 Deficit Requests and Governor's Recommendations**

Ag#	Agency	Prog#	Program	Issue Name	Oper/Aid/ Const	Fund Type	FY2014-15 Request	FY2014-15 Governor	
041	REAL ESTATE COMM.	077	Enforcement of Standards	Leave payouts	Operations	Cash	28,906	0	
041	REAL ESTATE COMM.	077	Enforcement of Standards	Leave payouts	PSL	PSL	25,103	0	
046	CORRECTIONS	200	Adult Operations	County Jail Agreement	Operations	General	415,378	263,315	
046	CORRECTIONS	200	Adult Operations	County Jail Agreement	PSL	PSL	277,214	202,550	
046	CORRECTIONS	200	Adult Operations	FY14 carryover expenses	Operations	General	5,732,666	5,732,666	
046	CORRECTIONS	200	Adult Operations	Increase Cash Fund Appropriation	Operations	General	(384,500)	(384,500)	
046	CORRECTIONS	200	Adult Operations	Increase Cash Fund Appropriation	Operations	Cash	384,500	384,500	
046	CORRECTIONS	200	Adult Operations	Increased utilities & ,aintenance costs	Operations	General	1,758,345	736,506	
046	CORRECTIONS	200	Adult Operations	Inmate medical per diem	Operations	General	11,846,247	4,468,829	
046	CORRECTIONS	200	Adult Operations	Inmate per diem	Operations	General	784,648	361,639	
046	CORRECTIONS	200	Adult Operations	PSL shortage & overtime	Operations	General	1,887,152	1,392,647	
046	CORRECTIONS	200	Adult Operations	PSL shortage & overtime	PSL	PSL	1,887,152	1,887,152	
046	CORRECTIONS	200	Adult Operations	PSL shortage & overtime	Operations	General	456,000	0	
046	CORRECTIONS	200	Adult Operations	Security staffing	Operations	General	703,361	454,454	
046	CORRECTIONS	200	Adult Operations	Security staffing	PSL	PSL	472,425	337,773	
046	CORRECTIONS	214	Vocational & Life Skills	Adjust Vocational and Life Skills appropriation for startup timing	Operations	General	(476,512)	(476,512)	
046	CORRECTIONS	214	Vocational & Life Skills	Adjust Vocational and Life Skills appropriation for startup timing	Aid	General	(1,750,000)	(1,750,000)	
065	ADMINISTRATIVE SERVICES	560	State Building Division	Purchase of land	Operations	Revolving	180,000	0	
065	ADMINISTRATIVE SERVICES	664	Republican River Compact Contingency	Republican River Compact litigation judgment	Operations	Cash	5,500,000	5,500,000	
068	LATINO-AMERICAN COMM.	537	Latino-American Commission	Training of new board members	Operations	General	6,367	0	
068	LATINO-AMERICAN COMM.	537	Latino-American Commission	Training of new board members	PSL	PSL	350	0	
070	FOSTER CARE REVIEW	353	Children's Commission	Funding transfer from DHH to FCRO for Children's Commission	Operations	General	94,000	94,000	
070	FOSTER CARE REVIEW	353	Children's Commission	Funding transfer from DHH to FCRO for Children's Commission	PSL	PSL	43,098	65,000	
<b>Appropriations Fund Totals</b>							General	44,269,438	28,368,232
							Cash	451,553	9,943,872
							Federal	64,036	64,036
							Revolving	180,000	0
<b>Total</b>							<b>44,965,027</b>	<b>38,376,140</b>	
							PSL	3,338,208	2,467,621
<b>Reappropriations Total</b>							General	(1,511,800)	



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# Agency Operations and Aid Totals by Fund Type



## General Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
003	LEGISLATIVE COUNCIL	17,193,696	17,877,711	19,095,539	20,680,265	19,604,350	21,232,291	19,999,807
005	SUPREME COURT	78,667,206	108,933,097	149,627,839	162,171,484	156,562,100	171,396,434	161,089,330
007	GOVERNOR	1,661,406	1,650,254	1,879,549	1,800,761	2,251,764	1,800,761	2,301,421
008	LIEUTENANT GOVERNOR	118,621	109,998	144,051	144,051	146,779	144,051	148,072
009	SECRETARY OF STATE	426,571	777,620	1,496,302	1,620,239	1,562,330	2,038,203	1,591,679
010	AUDITOR OF PUBLIC ACCOUNTS	2,160,855	2,274,248	2,295,617	2,299,813	2,385,171	2,314,894	2,436,502
011	ATTORNEY GENERAL	7,312,453	6,504,908	5,638,473	5,838,473	6,307,235	5,838,473	6,205,161
012	STATE TREASURER	1,325,860	1,211,664	1,301,283	1,257,829	1,283,340	1,257,829	1,301,728
013	DEPT OF EDUCATION	1,065,217,991	1,124,314,875	1,177,027,886	1,281,490,887	1,203,149,853	1,364,002,029	1,221,991,606
014	PUBLIC SERVICE COMMISSION	2,220,254	2,259,734	2,429,539	2,515,351	2,479,817	2,554,320	2,529,627
015	BOARD OF PAROLE	788,483	795,162	850,640	850,640	876,348	850,640	896,377
016	DEPT OF REVENUE	91,599,227	89,827,870	99,949,021	104,910,577	97,617,316	107,210,352	100,393,007
017	DEPT OF AERONAUTICS	0	3,508,407	0	0	0	0	0
018	DEPT OF AGRICULTURE	5,398,674	5,880,426	5,922,021	6,046,250	6,182,898	5,999,819	6,242,283
021	STATE FIRE MARSHAL	4,066,909	4,164,630	4,093,785	4,097,329	4,202,660	4,095,558	4,286,328
023	DEPT OF LABOR	564,452	779,319	663,563	664,849	681,905	664,849	694,434
025	DEPT OF HEALTH & HUMAN SERVICES	1,322,214,120	1,377,552,380	1,513,918,203	1,612,520,394	1,595,335,581	1,628,746,274	1,648,270,968
028	DEPT OF VETERANS AFFAIRS	1,069,760	1,125,691	1,228,082	1,270,540	1,243,919	1,270,540	1,271,570
029	DEPT OF NATURAL RESOURCES	15,531,841	18,507,532	27,150,572	16,284,829	16,511,924	13,731,014	14,130,396
031	MILITARY DEPARTMENT	7,664,114	7,259,467	5,265,054	5,676,177	5,510,640	5,615,177	5,584,841
032	BOARD OF EDUCATIONAL LANDS & FUNDS	299,520	302,197	321,217	321,217	328,556	351,927	333,415
033	GAME & PARKS COMMISSION	10,490,302	11,866,216	11,190,856	13,118,425	11,770,565	13,126,959	12,037,632
034	NEBRASKA LIBRARY COMMISSION	3,480,467	3,315,676	3,778,812	4,226,404	3,874,099	4,279,515	3,942,919
035	LIQUOR CONTROL COMMISSION	924,808	937,877	1,046,759	1,174,606	1,075,029	1,174,606	1,095,961
036	STATE RACING COMMISSION	0	15,000	0	0	0	0	0
046	DEPT OF CORRECTIONAL SERVICES	159,931,933	175,100,153	185,313,346	217,022,353	205,259,523	219,655,632	211,026,202
047	EDUCATIONAL TELECOMMUNICATIONS COMM	9,377,943	9,484,087	9,840,715	10,053,251	10,091,927	10,198,751	10,178,305
048	COORDINATING COMM FOR POSTSECONDARY	7,586,948	8,992,551	8,874,793	10,834,523	8,916,053	21,976,140	8,942,237

## General Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
050	NEBRASKA STATE COLLEGES	45,889,965	45,861,455	49,396,030	52,534,190	50,877,911	53,406,965	52,404,248
051	UNIVERSITY OF NEBRASKA	498,634,146	526,986,115	542,816,884	571,391,754	559,101,391	600,770,466	575,874,432
054	STATE HISTORICAL SOCIETY	3,693,301	4,028,135	4,932,223	5,363,743	4,902,291	4,916,865	4,519,830
064	NEBRASKA STATE PATROL	55,844,034	55,861,902	56,576,821	58,141,648	58,501,820	58,332,820	58,488,296
065	DEPT OF ADMINISTRATIVE SERVICES	9,483,305	11,282,668	7,821,743	8,217,496	8,310,693	8,384,930	8,591,728
067	EQUAL OPPORTUNITY COMM	1,109,621	1,033,881	1,186,439	1,164,099	1,185,011	1,217,998	1,222,238
068	COMMISSION ON LATINO AMERICANS	185,367	200,419	190,981	200,456	197,595	200,456	202,360
069	NEBRASKA ARTS COUNCIL	1,448,672	1,405,208	1,507,157	1,793,989	1,520,838	1,870,005	1,506,713
070	FOSTER CARE REVIEW OFFICE	1,287,648	1,497,590	1,616,119	1,710,119	1,762,717	1,710,119	1,802,709
072	DEPT OF ECONOMIC DEVELOPMENT	9,246,804	10,099,759	11,759,875	12,276,980	12,135,652	12,283,972	12,217,395
074	POWER REVIEW BOARD	0	0	200,000	0	0	0	0
076	COMM ON INDIAN AFFAIRS	176,957	190,532	208,175	294,551	213,436	295,792	217,367
077	COMM ON INDUSTRIAL RELATIONS	249,831	257,509	313,047	334,473	320,123	347,214	325,253
078	COMM ON LAW ENFORCEMENT & CRIMINAL	5,172,762	6,286,420	9,679,828	10,112,899	9,802,844	10,245,053	9,875,845
081	COMM FOR BLIND & VISUALLY IMPAIRED	1,024,894	1,035,346	1,045,990	1,045,990	1,058,695	1,045,990	1,064,583
082	COMM FOR DEAF & HARD OF HEARING	732,892	807,050	874,808	1,148,609	905,186	1,139,136	920,107
083	AID TO COMMUNITY COLLEGES	87,870,147	91,384,953	95,040,351	95,040,351	97,891,562	95,040,351	100,828,308
084	DEPT OF ENVIRONMENTAL QUALITY	5,745,683	5,469,497	5,534,394	5,554,770	5,650,135	5,575,598	5,741,829
085	PUBLIC EMPLOYEES RETIREMENT SYSTEM	29,991,325	24,290,810	46,645,251	47,446,585	48,347,006	47,817,518	47,024,000
087	ACCOUNTABILITY & DISCLOSURE COMM	421,360	348,635	468,402	466,101	477,442	466,101	486,328
091	NEBRASKA TOURISM COMMISSION	348,357	387,673	500,000	1,250,000	0	1,250,000	0
093	TAX EQUALIZATION & REVIEW COMM	687,268	719,697	730,051	815,373	803,880	815,448	823,967
<b>State Total</b>		<b>3,576,538,756</b>	<b>3,774,764,005</b>	<b>4,079,388,086</b>	<b>4,365,195,693</b>	<b>4,229,177,910</b>	<b>4,518,659,835</b>	<b>4,333,059,344</b>

## Cash Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
003	LEGISLATIVE COUNCIL	47,966	88,753	171,227	271,835	171,773	274,675	172,331
005	SUPREME COURT	12,453,679	12,175,644	13,891,001	14,625,100	13,432,547	14,054,048	13,515,980
009	SECRETARY OF STATE	4,780,121	5,265,832	5,319,505	5,707,992	5,832,614	6,003,292	6,565,872
010	AUDITOR OF PUBLIC ACCOUNTS	1,352,771	1,244,760	1,392,105	1,392,105	1,424,439	1,392,105	1,449,534
011	ATTORNEY GENERAL	909,732	1,637,532	1,744,546	1,829,546	2,244,667	1,829,546	2,200,640
012	STATE TREASURER	8,578,203	8,822,058	6,383,734	6,464,519	11,353,649	6,465,125	11,484,043
013	DEPT OF EDUCATION	12,049,625	11,321,172	15,653,571	15,970,439	15,924,835	5,368,994	15,940,445
014	PUBLIC SERVICE COMMISSION	60,847,134	56,550,440	86,602,500	87,630,678	87,537,382	87,543,148	87,494,220
016	DEPT OF REVENUE	135,682,851	138,936,697	168,882,746	169,267,070	228,449,862	169,496,023	228,357,731
017	DEPT OF AERONAUTICS	16,109,409	17,556,233	30,226,778	26,036,155	25,476,547	23,101,685	22,447,391
018	DEPT OF AGRICULTURE	6,555,017	6,860,879	7,265,774	7,633,505	7,814,040	7,560,470	7,680,733
019	DEPT OF BANKING	6,401,568	6,863,571	7,320,746	7,320,746	7,483,706	7,320,746	7,611,844
021	STATE FIRE MARSHAL	1,034,320	1,041,780	1,787,484	1,813,167	1,831,984	1,800,325	1,866,480
022	DEPT OF INSURANCE	9,547,179	10,357,606	12,618,961	13,225,323	13,453,105	12,826,903	13,231,949
023	DEPT OF LABOR	1,156,856	1,673,146	2,245,931	3,998,388	4,020,329	3,998,388	4,037,332
024	DEPT OF MOTOR VEHICLES	17,771,331	18,965,061	21,882,120	30,273,636	30,608,357	25,126,725	25,736,391
025	DEPT OF HEALTH & HUMAN SERVICES	147,379,052	147,145,864	176,496,553	178,005,631	177,805,169	177,485,666	178,381,167
027	DEPARTMENT OF ROADS	755,030,171	762,316,054	814,236,239	824,373,538	832,723,538	836,873,538	839,873,538
028	DEPT OF VETERANS AFFAIRS	6,000	25,000	10,000	25,000	35,000	25,000	35,000
029	DEPT OF NATURAL RESOURCES	4,336,489	12,176,256	30,103,497	20,103,497	20,106,011	20,103,497	20,107,930
030	NEBRASKA ELECTRICAL BOARD	1,471,711	1,537,862	1,633,246	1,647,827	1,681,564	1,648,412	1,715,515
031	MILITARY DEPARTMENT	2,777,904	1,602,294	930,623	930,623	941,020	930,623	948,826
032	BOARD OF EDUCATIONAL LANDS & FUNDS	12,390,638	12,524,744	14,859,919	15,734,802	15,797,438	15,812,651	15,923,327
033	GAME & PARKS COMMISSION	73,685,085	76,915,136	71,819,577	74,163,893	76,608,803	74,275,442	77,324,924
034	NEBRASKA LIBRARY COMMISSION	300,861	76,003	94,085	94,085	94,851	94,085	95,581
035	LIQUOR CONTROL COMMISSION	73,051	59,405	70,719	70,719	70,719	70,719	70,719
036	STATE RACING COMMISSION	591,942	627,707	1,118,625	1,118,625	1,127,768	1,118,625	1,135,752
037	WORKERS COMPENSATION COURT	5,166,041	5,258,068	5,823,471	5,839,771	5,977,690	5,851,076	6,095,740

## Cash Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
039	NEBRASKA BRAND COMMITTEE	4,040,810	4,058,637	4,459,610	4,459,610	4,588,719	4,459,610	4,676,833
040	MOTOR VEHICLE INDUSTRY LICENSING	651,597	680,428	733,076	733,076	754,603	733,076	770,468
041	REAL ESTATE COMMISSION	1,119,927	1,121,437	1,183,817	1,733,817	1,759,561	1,183,817	1,228,307
045	BOARD OF BARBER EXAMINERS	127,821	151,692	159,934	166,110	164,236	163,159	167,231
046	DEPT OF CORRECTIONAL SERVICES	2,509,215	2,285,190	2,197,373	2,581,873	2,581,873	2,581,873	2,581,873
047	EDUCATIONAL TELECOMMUNICATIONS COMM	337,755	337,755	337,755	337,755	410,555	337,755	456,055
048	COORDINATING COMM FOR POSTSECONDARY	8,122,433	10,406,459	10,025,000	10,035,000	10,225,027	35,000	10,229,039
050	NEBRASKA STATE COLLEGES	29,931,344	32,056,310	33,199,918	33,199,918	33,199,918	33,199,918	33,199,918
051	UNIVERSITY OF NEBRASKA	359,465,896	363,175,493	403,816,887	403,816,887	403,816,887	403,816,887	403,816,887
052	STATE BOARD OF AGRICULTURE	3,853,458	3,970,216	3,500,000	4,250,000	4,250,000	4,250,000	4,250,000
053	REAL PROPERTY APPRAISER BOARD	281,731	342,791	319,433	378,256	353,679	365,532	363,725
054	STATE HISTORICAL SOCIETY	1,611,389	1,665,306	2,302,695	2,456,604	2,494,850	2,302,695	2,522,609
056	NEBRASKA WHEAT BOARD	1,052,008	1,088,540	1,957,503	2,179,500	1,977,318	2,179,500	1,982,747
057	OIL & GAS CONSERVATION COMM	641,601	720,314	811,365	811,365	829,502	811,365	844,380
058	BOARD OF ENGINEERS AND ARCHITECTS	608,960	594,568	700,036	756,599	729,639	722,736	740,400
059	BOARD OF GEOLOGISTS	23,597	25,866	28,406	29,095	28,827	29,529	29,261
060	NEBRASKA ETHANOL BOARD	545,644	542,265	644,967	698,138	680,332	723,348	663,316
061	DAIRY INDUSTRY DEVELOPMENT BOARD	1,168,787	1,149,774	1,399,957	1,399,957	1,399,957	1,399,957	1,399,957
062	BOARD OF EXAMINERS-LAND SURVEYORS	16,966	15,807	28,374	28,374	28,374	28,374	28,374
063	BOARD OF PUBLIC ACCOUNTANCY	384,288	370,087	423,865	423,865	426,698	423,865	432,528
064	NEBRASKA STATE PATROL	13,331,268	13,331,931	16,238,289	16,926,964	17,197,993	19,419,975	19,914,785
065	DEPT OF ADMINISTRATIVE SERVICES	31,508,533	24,241,519	4,262,726	4,489,286	4,517,009	1,964,286	2,008,769
066	BOARD OF EXAMINERS-ABSTRACTORS	51,238	43,456	53,694	54,049	54,260	54,899	54,809
068	COMMISSION ON LATINO AMERICANS	0	0	0	5,000	5,000	5,000	5,000
069	NEBRASKA ARTS COUNCIL	891,429	538,336	1,435,000	1,435,000	1,435,000	1,435,000	1,435,000
070	FOSTER CARE REVIEW OFFICE	1,538	911	5,700	5,700	5,700	5,700	5,700
071	NEBRASKA ENERGY OFFICE	428,836	401,681	1,415,745	1,415,745	1,426,209	1,415,745	1,434,230
072	DEPT OF ECONOMIC DEVELOPMENT	6,684,123	10,492,853	27,763,524	28,763,924	28,777,074	28,763,924	28,786,085

## Cash Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
073	STATE BOARD OF LANDSCAPE ARCHITECTS	22,059	20,316	22,586	24,735	23,588	26,170	25,023
074	POWER REVIEW BOARD	451,081	513,299	577,640	615,209	610,119	615,209	617,142
075	NEBRASKA INVESTMENT COUNCIL	2,183,176	2,264,066	2,525,955	2,575,902	2,580,733	2,774,652	2,782,618
076	COMM ON INDIAN AFFAIRS	1,594	12,332	20,000	20,000	20,000	20,000	20,000
078	COMM ON LAW ENFORCEMENT & CRIMINAL	1,631,891	1,295,124	1,526,588	1,476,588	1,553,482	1,376,588	1,574,519
081	COMM FOR BLIND & VISUALLY IMPAIRED	112,305	98,693	98,746	98,746	100,497	98,746	101,718
082	COMM FOR DEAF & HARD OF HEARING	13,416	52,926	14,836	16,600	13,096	13,600	10,096
084	DEPT OF ENVIRONMENTAL QUALITY	30,378,756	23,658,564	32,008,973	33,916,918	34,116,925	35,943,202	36,300,912
085	PUBLIC EMPLOYEES RETIREMENT SYSTEM	4,216,469	4,265,881	5,256,251	5,307,245	5,364,297	5,305,752	5,442,563
086	DRY BEAN COMMISSION	298,118	339,126	381,879	400,000	388,984	425,000	390,059
087	ACCOUNTABILITY & DISCLOSURE COMM	118,313	186,444	225,816	225,816	233,324	225,816	238,588
088	CORN DEVELOPMENT MARKETING BOARD	4,400,165	6,615,453	7,226,712	8,200,000	8,084,782	8,200,000	8,099,654
091	NEBRASKA TOURISM COMMISSION	4,062,478	3,875,235	4,760,471	4,910,471	6,033,430	4,910,471	6,051,676
092	GRAIN SORGHUM BOARD	134,539	121,034	293,732	293,732	294,620	293,732	295,478
093	TAX EQUALIZATION & REVIEW COMM	71,773	87,385	115,000	51,000	51,000	51,000	51,000
094	COMMISSION ON PUBLIC ADVOCACY	3,330,708	3,602,028	4,727,534	4,776,083	4,804,489	4,730,757	4,782,174
<b>State Total</b>		<b>1,819,305,740</b>	<b>1,840,443,079</b>	<b>2,079,772,651</b>	<b>2,102,048,727</b>	<b>2,178,421,573</b>	<b>2,086,274,752</b>	<b>2,182,312,441</b>

## Federal Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
003	LEGISLATIVE COUNCIL	0	0	39,270	39,270	39,270	39,270	39,270
005	SUPREME COURT	2,179,470	943,260	1,544,913	687,643	694,328	687,659	699,006
009	SECRETARY OF STATE	49,194	10,835	98,300	98,300	98,300	98,300	98,300
011	ATTORNEY GENERAL	1,031,556	914,596	1,617,568	1,617,568	1,648,205	1,617,568	1,672,710
012	STATE TREASURER	1,652,163	1,619,642	1,679,541	1,641,356	1,676,511	1,641,356	1,702,186
013	DEPT OF EDUCATION	356,893,187	332,503,281	346,746,310	367,359,349	368,213,405	367,903,457	369,454,144
014	PUBLIC SERVICE COMMISSION	837,374	835,504	473,954	0	0	0	0
018	DEPT OF AGRICULTURE	3,358,203	3,691,857	3,682,787	4,036,714	4,089,903	4,036,871	4,127,212
021	STATE FIRE MARSHAL	527,424	766,164	415,476	415,476	426,208	415,476	433,970
022	DEPT OF INSURANCE	2,693,211	1,757,092	2,211,075	2,211,075	2,231,222	2,211,075	2,246,137
023	DEPT OF LABOR	41,927,231	34,303,568	48,333,662	51,154,016	51,898,232	48,539,220	49,828,928
024	DEPT OF MOTOR VEHICLES	932,736	371,310	183,791	23,005	1,406,005	0	94,600
025	DEPT OF HEALTH & HUMAN SERVICES	1,501,270,457	1,506,024,609	1,801,648,328	1,800,088,914	1,813,187,114	1,823,188,629	1,871,577,334
028	DEPT OF VETERANS AFFAIRS	65,951	0	0	0	0	0	0
029	DEPT OF NATURAL RESOURCES	602,258	537,385	746,491	746,491	764,999	746,491	777,911
031	MILITARY DEPARTMENT	81,754,027	75,718,988	23,555,268	23,743,145	23,971,643	23,743,145	24,138,525
033	GAME & PARKS COMMISSION	9,146,087	10,923,082	7,745,549	7,745,549	7,785,644	7,745,549	7,815,045
034	NEBRASKA LIBRARY COMMISSION	2,232,902	2,024,844	1,511,770	1,511,770	1,543,615	1,511,770	1,567,899
037	WORKERS COMPENSATION COURT	49,350	41,340	50,590	50,590	51,804	50,590	52,839
046	DEPT OF CORRECTIONAL SERVICES	1,651,799	1,475,368	1,751,929	1,751,929	1,770,292	1,751,929	1,781,423
048	COORDINATING COMM FOR POSTSECONDARY	1,999,584	1,819,302	2,209,757	1,008,127	1,011,481	407,556	408,448
050	NEBRASKA STATE COLLEGES	46,758,816	44,482,831	46,739,698	46,739,698	46,739,698	46,739,698	46,739,698
051	UNIVERSITY OF NEBRASKA	480,540,965	465,755,015	543,597,650	543,597,650	543,597,650	543,597,650	543,597,650
054	STATE HISTORICAL SOCIETY	856,328	841,502	829,274	829,274	840,808	829,274	850,267
057	OIL & GAS CONSERVATION COMM	80,560	83,945	89,235	89,235	91,165	89,235	92,932
064	NEBRASKA STATE PATROL	6,917,179	6,095,411	2,431,542	2,431,542	2,393,494	2,431,542	2,461,804
065	DEPT OF ADMINISTRATIVE SERVICES	489,601	440,903	0	1,087,514	1,087,514	0	0
067	EQUAL OPPORTUNITY COMM	590,553	681,226	698,586	688,586	700,851	688,586	706,035

## Federal Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
069	NEBRASKA ARTS COUNCIL	746,558	732,366	883,955	738,800	744,257	738,800	748,862
070	FOSTER CARE REVIEW OFFICE	372,437	333,286	499,812	499,812	500,866	499,812	501,170
071	NEBRASKA ENERGY OFFICE	16,770,222	6,997,099	7,780,992	7,780,992	7,817,148	7,780,992	7,844,437
072	DEPT OF ECONOMIC DEVELOPMENT	27,274,732	19,736,641	26,234,366	26,234,366	26,266,132	26,234,366	26,289,532
076	COMM ON INDIAN AFFAIRS	45,499	0	0	0	0	0	0
078	COMM ON LAW ENFORCEMENT & CRIMINAL	9,218,156	6,476,522	10,489,043	10,489,043	10,505,577	10,489,043	10,518,349
081	COMM FOR BLIND & VISUALLY IMPAIRED	3,666,311	4,077,157	3,881,586	4,384,160	4,472,535	4,503,100	4,659,811
084	DEPT OF ENVIRONMENTAL QUALITY	31,113,904	29,037,184	30,247,375	34,547,375	34,757,910	32,047,375	32,419,422
<b>State Total</b>		<b>2,636,295,986</b>	<b>2,562,053,114</b>	<b>2,920,649,443</b>	<b>2,946,068,334</b>	<b>2,963,023,786</b>	<b>2,963,005,384</b>	<b>3,015,945,856</b>

## Revolving Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
009	SECRETARY OF STATE	731,579	767,848	1,083,934	1,083,934	1,098,389	1,110,601	1,135,040
011	ATTORNEY GENERAL	861,079	886,271	1,260,377	1,260,377	1,292,227	1,260,377	1,316,795
013	DEPT OF EDUCATION	187,644	158,912	204,728	204,728	204,728	204,728	204,728
018	DEPT OF AGRICULTURE	498,071	561,097	548,191	629,120	602,528	629,141	611,556
046	DEPT OF CORRECTIONAL SERVICES	13,065,107	14,940,984	18,580,670	18,580,670	18,783,667	18,580,670	18,924,004
050	NEBRASKA STATE COLLEGES	7,935,008	8,248,681	9,112,985	9,112,985	9,112,985	9,112,985	9,112,985
051	UNIVERSITY OF NEBRASKA	423,695,931	508,236,799	592,115,506	592,115,506	592,115,506	592,115,506	592,115,506
064	NEBRASKA STATE PATROL	1,073,224	898,266	999,186	1,037,186	1,032,874	1,037,186	1,055,088
065	DEPT OF ADMINISTRATIVE SERVICES	175,319,418	188,754,787	201,538,835	216,639,529	216,981,406	221,728,653	223,839,795
<b>State Total</b>		<b>623,367,062</b>	<b>723,453,645</b>	<b>825,444,412</b>	<b>840,664,035</b>	<b>841,224,310</b>	<b>845,779,847</b>	<b>848,315,497</b>

## All Funds

Ag#	Agency Name	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2015-16	FY2016-17	FY2016-17
		Actual Expenditures	Actual Expenditures	Appropriation	Agency Request	Governor's Recommendation	Agency Request	Governor's Recommendation
003	LEGISLATIVE COUNCIL	17,241,662	17,966,464	19,306,036	20,991,370	19,815,393	21,546,236	20,211,408
005	SUPREME COURT	93,300,355	122,052,001	165,063,753	177,484,227	170,688,975	186,138,141	175,304,316
007	GOVERNOR	1,661,406	1,650,254	1,879,549	1,800,761	2,251,764	1,800,761	2,301,421
008	LIEUTENANT GOVERNOR	118,621	109,998	144,051	144,051	146,779	144,051	148,072
009	SECRETARY OF STATE	5,987,465	6,822,135	7,998,041	8,510,465	8,591,633	9,250,396	9,390,891
010	AUDITOR OF PUBLIC ACCOUNTS	3,513,626	3,519,008	3,687,722	3,691,918	3,809,610	3,706,999	3,886,036
011	ATTORNEY GENERAL	10,114,820	9,943,307	10,260,964	10,545,964	11,492,334	10,545,964	11,395,306
012	STATE TREASURER	11,556,226	11,653,364	9,364,558	9,363,704	14,313,500	9,364,310	14,487,957
013	DEPT OF EDUCATION	1,434,348,447	1,468,298,239	1,539,632,495	1,665,025,403	1,587,492,821	1,737,479,208	1,607,590,923
014	PUBLIC SERVICE COMMISSION	63,904,762	59,645,678	89,505,993	90,146,029	90,017,199	90,097,468	90,023,847
015	BOARD OF PAROLE	788,483	795,162	850,640	850,640	876,348	850,640	896,377
016	DEPT OF REVENUE	227,282,078	228,764,567	268,831,767	274,177,647	326,067,178	276,706,375	328,750,738
017	DEPT OF AERONAUTICS	16,109,409	21,064,640	30,226,778	26,036,155	25,476,547	23,101,685	22,447,391
018	DEPT OF AGRICULTURE	15,809,965	16,994,259	17,418,773	18,345,589	18,689,369	18,226,301	18,661,784
019	DEPT OF BANKING	6,401,568	6,863,571	7,320,746	7,320,746	7,483,706	7,320,746	7,611,844
021	STATE FIRE MARSHAL	5,628,654	5,972,574	6,296,745	6,325,972	6,460,852	6,311,359	6,586,778
022	DEPT OF INSURANCE	12,240,390	12,114,698	14,830,036	15,436,398	15,684,327	15,037,978	15,478,086
023	DEPT OF LABOR	43,648,540	36,756,032	51,243,156	55,817,253	56,600,466	53,202,457	54,560,694
024	DEPT OF MOTOR VEHICLES	18,704,068	19,336,371	22,065,911	30,296,641	32,014,362	25,126,725	25,830,991
025	DEPT OF HEALTH & HUMAN SERVICES	2,970,863,629	3,030,722,852	3,492,063,084	3,590,614,939	3,586,327,864	3,629,420,569	3,698,229,469
027	DEPARTMENT OF ROADS	755,030,171	762,316,054	814,236,239	824,373,538	832,723,538	836,873,538	839,873,538
028	DEPT OF VETERANS AFFAIRS	1,141,711	1,150,691	1,238,082	1,295,540	1,278,919	1,295,540	1,306,570
029	DEPT OF NATURAL RESOURCES	20,470,587	31,221,173	58,000,560	37,134,817	37,382,934	34,581,002	35,016,237
030	NEBRASKA ELECTRICAL BOARD	1,471,711	1,537,862	1,633,246	1,647,827	1,681,564	1,648,412	1,715,515
031	MILITARY DEPARTMENT	92,196,045	84,580,749	29,750,945	30,349,945	30,423,303	30,288,945	30,672,192
032	BOARD OF EDUCATIONAL LANDS & FUNDS	12,690,157	12,826,941	15,181,136	16,056,019	16,125,994	16,164,578	16,256,742
033	GAME & PARKS COMMISSION	93,321,474	99,704,434	90,755,982	95,027,867	96,165,012	95,147,950	97,177,601
034	NEBRASKA LIBRARY COMMISSION	6,014,230	5,416,523	5,384,667	5,832,259	5,512,565	5,885,370	5,606,399

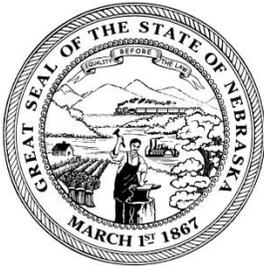
## All Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
035	LIQUOR CONTROL COMMISSION	997,858	997,283	1,117,478	1,245,325	1,145,748	1,245,325	1,166,680
036	STATE RACING COMMISSION	591,942	642,707	1,118,625	1,118,625	1,127,768	1,118,625	1,135,752
037	WORKERS COMPENSATION COURT	5,215,391	5,299,408	5,874,061	5,890,361	6,029,494	5,901,666	6,148,579
039	NEBRASKA BRAND COMMITTEE	4,040,810	4,058,637	4,459,610	4,459,610	4,588,719	4,459,610	4,676,833
040	MOTOR VEHICLE INDUSTRY LICENSING	651,597	680,428	733,076	733,076	754,603	733,076	770,468
041	REAL ESTATE COMMISSION	1,119,927	1,121,437	1,183,817	1,733,817	1,759,561	1,183,817	1,228,307
045	BOARD OF BARBER EXAMINERS	127,821	151,692	159,934	166,110	164,236	163,159	167,231
046	DEPT OF CORRECTIONAL SERVICES	177,158,054	193,801,695	207,843,318	239,936,825	228,395,355	242,570,104	234,313,502
047	EDUCATIONAL TELECOMMUNICATIONS COMM	9,715,698	9,821,842	10,178,470	10,391,006	10,502,482	10,536,506	10,634,360
048	COORDINATING COMM FOR POSTSECONDARY	17,708,965	21,218,311	21,109,550	21,877,650	20,152,561	22,418,696	19,579,724
050	NEBRASKA STATE COLLEGES	130,515,134	130,649,277	138,448,631	141,586,791	139,930,512	142,459,566	141,456,849
051	UNIVERSITY OF NEBRASKA	1,762,336,939	1,864,153,422	2,082,346,927	2,110,921,797	2,098,631,434	2,140,300,509	2,115,404,475
052	STATE BOARD OF AGRICULTURE	3,853,458	3,970,216	3,500,000	4,250,000	4,250,000	4,250,000	4,250,000
053	REAL PROPERTY APPRAISER BOARD	281,731	342,791	319,433	378,256	353,679	365,532	363,725
054	STATE HISTORICAL SOCIETY	6,161,018	6,534,944	8,064,192	8,649,621	8,237,949	8,048,834	7,892,706
056	NEBRASKA WHEAT BOARD	1,052,008	1,088,540	1,957,503	2,179,500	1,977,318	2,179,500	1,982,747
057	OIL & GAS CONSERVATION COMM	722,161	804,259	900,600	900,600	920,667	900,600	937,312
058	BOARD OF ENGINEERS AND ARCHITECTS	608,960	594,568	700,036	756,599	729,639	722,736	740,400
059	BOARD OF GEOLOGISTS	23,597	25,866	28,406	29,095	28,827	29,529	29,261
060	NEBRASKA ETHANOL BOARD	545,644	542,265	644,967	698,138	680,332	723,348	663,316
061	DAIRY INDUSTRY DEVELOPMENT BOARD	1,168,787	1,149,774	1,399,957	1,399,957	1,399,957	1,399,957	1,399,957
062	BOARD OF EXAMINERS-LAND SURVEYORS	16,966	15,807	28,374	28,374	28,374	28,374	28,374
063	BOARD OF PUBLIC ACCOUNTANCY	384,288	370,087	423,865	423,865	426,698	423,865	432,528
064	NEBRASKA STATE PATROL	77,165,706	76,187,510	76,245,838	78,537,340	79,126,181	81,221,523	81,919,973
065	DEPT OF ADMINISTRATIVE SERVICES	216,800,857	224,719,876	213,623,304	230,433,825	230,896,622	232,077,869	234,440,292
066	BOARD OF EXAMINERS-ABSTRACTORS	51,238	43,456	53,694	54,049	54,260	54,899	54,809
067	EQUAL OPPORTUNITY COMM	1,700,174	1,715,106	1,885,025	1,852,685	1,885,862	1,906,584	1,928,273
068	COMMISSION ON LATINO AMERICANS	185,367	200,419	190,981	205,456	202,595	205,456	207,360

## All Funds

Ag#	Agency Name	FY2012-13 Actual Expenditures	FY2013-14 Actual Expenditures	FY2014-15 Appropriation	FY2015-16 Agency Request	FY2015-16 Governor's Recommendation	FY2016-17 Agency Request	FY2016-17 Governor's Recommendation
069	NEBRASKA ARTS COUNCIL	3,086,660	2,675,910	3,826,112	3,967,789	3,700,095	4,043,805	3,690,575
070	FOSTER CARE REVIEW OFFICE	1,661,623	1,831,787	2,121,631	2,215,631	2,269,283	2,215,631	2,309,579
071	NEBRASKA ENERGY OFFICE	17,199,058	7,398,780	9,196,737	9,196,737	9,243,357	9,196,737	9,278,667
072	DEPT OF ECONOMIC DEVELOPMENT	43,205,659	40,329,253	65,757,765	67,275,270	67,178,858	67,282,262	67,293,012
073	STATE BOARD OF LANDSCAPE ARCHITECTS	22,059	20,316	22,586	24,735	23,588	26,170	25,023
074	POWER REVIEW BOARD	451,081	513,299	777,640	615,209	610,119	615,209	617,142
075	NEBRASKA INVESTMENT COUNCIL	2,183,176	2,264,066	2,525,955	2,575,902	2,580,733	2,774,652	2,782,618
076	COMM ON INDIAN AFFAIRS	224,050	202,864	228,175	314,551	233,436	315,792	237,367
077	COMM ON INDUSTRIAL RELATIONS	249,831	257,509	313,047	334,473	320,123	347,214	325,253
078	COMM ON LAW ENFORCEMENT & CRIMINAL	16,022,809	14,058,065	21,695,459	22,078,530	21,861,903	22,110,684	21,968,713
081	COMM FOR BLIND & VISUALLY IMPAIRED	4,803,509	5,211,196	5,026,322	5,528,896	5,631,727	5,647,836	5,826,112
082	COMM FOR DEAF & HARD OF HEARING	746,309	859,977	889,644	1,165,209	918,282	1,152,736	930,203
083	AID TO COMMUNITY COLLEGES	87,870,147	91,384,953	95,040,351	95,040,351	97,891,562	95,040,351	100,828,308
084	DEPT OF ENVIRONMENTAL QUALITY	67,238,344	58,165,245	67,790,742	74,019,063	74,524,970	73,566,175	74,462,163
085	PUBLIC EMPLOYEES RETIREMENT SYSTEM	34,207,794	28,556,691	51,901,502	52,753,830	53,711,303	53,123,270	52,466,563
086	DRY BEAN COMMISSION	298,118	339,126	381,879	400,000	388,984	425,000	390,059
087	ACCOUNTABILITY & DISCLOSURE COMM	539,673	535,078	694,218	691,917	710,766	691,917	724,916
088	CORN DEVELOPMENT MARKETING BOARD	4,400,165	6,615,453	7,226,712	8,200,000	8,084,782	8,200,000	8,099,654
091	NEBRASKA TOURISM COMMISSION	4,410,835	4,262,908	5,260,471	6,160,471	6,033,430	6,160,471	6,051,676
092	GRAIN SORGHUM BOARD	134,539	121,034	293,732	293,732	294,620	293,732	295,478
093	TAX EQUALIZATION & REVIEW COMM	759,042	807,082	845,051	866,373	854,880	866,448	874,967
094	COMMISSION ON PUBLIC ADVOCACY	3,330,708	3,602,028	4,727,534	4,776,083	4,804,489	4,730,757	4,782,174
<b>State Total</b>		<b>8,655,507,543</b>	<b>8,900,713,843</b>	<b>9,905,254,592</b>	<b>10,253,976,789</b>	<b>10,211,847,579</b>	<b>10,413,719,818</b>	<b>10,379,633,138</b>





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# Appendix



# ADMINISTRATIVE SERVICES – STATE BUDGET DIVISION

## STAFF LISTING

**Gerry A. Oligmueller**, State Budget Administrator

**Lyn Heaton**, Deputy State Budget Administrator

### BUDGET ANALYSTS AND THEIR AGENCY ASSIGNMENTS

**Gary Bush** – Department of Administrative Services, Department of Aeronautics, Community Colleges, Educational Telecommunications Commission, Public Employees Retirement Board, Investment Council, Department of Motor Vehicles, Motor Vehicle Licensing Board, Office of the Capitol Commission, Office of the Chief Information Officer, Postsecondary Education, Department of Roads, State College System, University System

**Lyn Heaton**, Deputy Budget Administrator – Auditor of Public Accounts, Governor's Office, Legislative Council, Lieutenant Governor's Office, Department of Revenue, Tax Equalization and Review, State Treasurer

**Robin Kilgore** – Accountability & Disclosure Commission, Barber Examiners, Abstracters Board of Examiners, Department of Banking and Finance, Department of Economic Development, Electrical Division, Engineers & Architects, Geologists Board, Department of Insurance, Department of Labor, Land Surveyors, Landscape Architects, Public Accountancy, Public Service Commission, Racing Commission, Real Estate Commission, Real Property Appraiser, Secretary of State, Tourism Commission

**Elton Larson** – Foster Care Review Office, Department of Health & Human Services, Industrial Relations, Veterans' Affairs

**Cindy Miserez** – Department of Agriculture, Brand Committee, Corn Board, Nebraska Dairy Industry Development Board, Dry Bean Commission, Nebraska Energy Office, Department of Environmental Quality, Ethanol Board, State Fair Board, Game and Parks Commission, Grain Sorghum Board, Department of Natural Resources, Oil and Gas Commission, Power Review Board, Nebraska Wheat Board

**James Van Bruggen** – Arts Council, Blind and Visually Impaired, Deaf and Hard of Hearing, Department of Education, Educational Lands and Funds, Nebraska Historical Society, Indian Affairs, Library Commission, Latino American Commission, TEEOSA K-12 School Aid

**Joe Wilcox** – Attorney General, Department of Correctional Services, Crime Commission, Equal Opportunity Commission, State Fire Marshal, Liquor Control Commission, Military Department, Board of Pardons/Parole, State Patrol, Commission on Public Advocacy, Supreme Court, Workers' Compensation

**John Heacock** – Administrative Services – Building Division staff consulted for capital construction related issues

### SUPPORT STAFF

**Betty Hladky**, Business Manager