

Legislature - First Session - 2019

Introducer's Statement of Intent

LB638

Chairperson: Senator John Stinner

Committee: Appropriations

Date of Hearing: March 15, 2019

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The purpose of LB638 is to modify the current deposit rule to the Cash Reserve Fund. The current rule requires a transfer from the General Fund to the Cash Reserve Fund in excess of actual General Fund receipts from estimated receipts for the fiscal year. LB638 would add an alternative rule and require that the greater of the two amounts be deposited into the Cash Reserve Fund.

The formula for the alternative rule is as follows:

50% x (Actual revenue, current FY x [Annual % increase, current FY – Average annual % increase, 20-year])

Principal Introducer: _____

Senator John Stinner