

**ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017**  
**COMMITTEE STATEMENT**  
**LB72**

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**Hearing Date:** Monday February 13, 2017  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Schumacher  
**One Liner:** Provide for governmental unit bond priority under the Nebraska Governmental Unit Security Interest Act and rename the act

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File

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**Vote Results:**

**Aye:** 8 Senators Baker, Brewer, Craighead, Kolterman, Lindstrom, McCollister, Schumacher, Williams

**Nay:**

**Absent:**

**Present Not Voting:**

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**Verbal Testimony:**

**Proponents:**

Senator Paul Schumacher  
Bob Hallstrom

**Representing:**

Introducer  
NE Bankers Association

**Opponents:**

Paul Kratz  
John Corrigan  
Lynn Rex  
Darren Garrean

**Representing:**

City of Omaha  
NPFFA  
League of NE Municipalities  
NE Professional Fire Fighters Association

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

This bill would amend the sections of the Nebraska Governmental Unit Security Interest Act, sections 10-1101 to 10-1106, and rename the act the Nebraska Governmental Unit Security "and Pledge" Act.

The bill would create a statutory lien and grant a security interest on ad valorem taxes and bond-pledged revenue sources of an issuing governmental unit with respect to general obligation bonds, notes, and other financing obligations. The lien would be valid, binding, and prior against all parties having claims against the governmental unit in a bankruptcy filing.

The bill would amend sections 70-1813 and 70-1819 of the Public Entities Mandated Project Charges Act to harmonize internal references.

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Brett Lindstrom, Chairperson