

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB509

Hearing Date: Monday February 01, 2021
Committee On: Banking, Commerce and Insurance
Introducer: Lindstrom
One Liner: Change provisions relating to the State Treasurer and treasury management

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

Vote Results:

Aye: 7 Senators Bostar, Flood, Lindstrom, McCollister, Pahls, Slama, Williams
Nay:
Absent:
Present Not Voting: 1 Senator Aguilar

Oral Testimony:

Proponents:

Senator Brett Lindstrom
Heidi Wallace

Representing:

Introducer
Nebraska State Treasurer's Office

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

This bill would revise, update, and repeal various provisions regarding duties of the State Treasurer. The bill would provide as follows:

Section 1 would amend section 13-518 regarding governmental unit budget limitations to repeal an internal reference to a section that would be outright repealed by section 25 of this bill.

Section 2 would amend section 39-2215 regarding highway bonds to provide that disbursements from the Highway Trust Fund shall be made "by electronic funds transfer" rather than "upon warrants drawn" by the Director of Administrative Services.

Section 3 would amend section 44-2839 of the Nebraska Hospital-Medical Liability Act which provides that the Department of Insurance shall be reimbursed from the Excess Liability Fund for necessary expenses incurred in the administration of the act. The bill would provide that the Director of Insurance shall certify such expenses to the "State Treasurer" who shall "reimburse the Department of Insurance" for such services rather than certify such expenses to the "Director of Administrative Services" who shall "cause a warrant to be issued" for such services.

Section 4 would amend section 54-603 which currently provides that any county, city, or village that imposes a license tax

on the owners or harborers of cats and dogs shall, in addition, collect from the licensee a fee of one dollar and twenty-five cents. From each such fee, the county, city, or village shall retain three cents and remit the balance to the State Treasurer for credit to the Commercial Dog and Cat Operator Inspection Program Cash Fund. The bill would provide that the county, city, or village instead shall remit such balance to the "Department of Agriculture. The department shall then remit such balance to the" State Treasurer for credit to the cash fund.

Section 5 would amend section 57-705 regarding oil and gas severance tax to provide that the State Treasurer shall credit amounts to the Severance Tax Administration Fund and the permanent school fund upon the "last" day instead of the "first" day of each month. The bill would also repeal obsolete provisions in this section.

Section 6 would amend section 60-396 of the Motor Vehicle Registration Act which currently provides that if a registered owner of a vehicle that is disabled and removed from service files an application with the county treasurer and makes an affidavit to the county treasurer of such disablement and removal from service and no replacement vehicle is registered, the county treasurer shall forward the application and affidavit, if any, to the State Treasurer who shall determine the amount, if any, of the allowable credit for the registration fee and issue a credit certificate to the owner. For the motor vehicle tax and fee, the county treasurer shall determine the amount, if any, of the allowable credit and issue a credit certificate to the owner. The bill would provide that the county treasurer shall determine the amount, if any, of the allowable credit for the registration fee "and the motor vehicle tax and fee" and issue a credit to the owner.

Section 7 would amend section 60-3,202 of the Motor Vehicle Registration Act to change the "Motor Vehicle" Tax Fund to the "Highway" Tax Fund.

Section 8 would amend section 72-1250.01 of the Nebraska State Funds Investment Act to harmonize an internal reference to a subdivision of section 84-602 as it would be amended by section 21 of the bill.

Section 9 would amend section 77-3,119 regarding duties of the Tax Commissioner to repeal an internal reference to a section that would be outright repealed by section 25 of this bill.

Section 10 would amend section 77-2205 regarding warrants to repeal provisions regarding registration of state warrants in which the State Treasurer is authorized by the Board of Educational Lands and Funds to invest educational trust funds.

Section 11 would amend section 77-2602 regarding cigarette taxes to repeal obsolete provisions and repeal internal references to sections that would be outright repealed by section 25 of this bill.

Section 12 would amend section 77-27,139.04 to provide that for distribution from the Municipal Equalization Fund, the director of Administrative Services shall "pay the amounts electronically from" funds appropriated rather than "draw warrants against" funds appropriated.

Section 13 would amend section 77-3523 regarding homestead exemption to provide that for reimbursement to each county the Director of Administrative Services shall "issue payments by electronic funds transfer" rather than "draw warrants against funds appropriated."

Section 14 would amend section 77-4212 of the Property Tax Credit Act to provide that the "Property Tax Administrator" rather than the "State Treasurer" shall credit any funds returned to the Property Tax Credit Cash Fund.

Section 15 would amend section 79-1035 to provide that for apportionment of the temporary school fund the Director of Administrative Services shall issue payments to rather than draw a warrant on the state Treasurer in favor of the various districts for the amounts certified by the Commissioner of Education.

Section 16 would amend section 79-1044 to provide that for distribution among the counties of forest reserve funds the Director of Administrative Services shall "make payments to" rather than "draw a warrant on the State Treasurer in favor of" the various counties for the amount specified by the Commissioner of Education.

Section 17 would amend section 79-1047 to provide that for distribution among the counties of public grazing funds the Director of Administrative Services shall "make payments to" rather than "draw a warrant on the State Treasurer in favor of" the various counties for the amount specified by the Commissioner of Education.

Section 18 would amend section 79-1051 to provide that for distribution among the counties of federal flood control funds the Director of Administrative Services shall "make payments to" rather than "draw a warrant on the State Treasurer in favor of" the various counties for the amount specified by the Commissioner of Education.

Section 19 would amend section 81-118 to provide that money received by every department of the state belonging to or for the use of the state shall be paid into the state treasury "in accordance with section 84-710". The latter section provides for the payment to the State Treasurer of fees, proceeds, and money due the state.

Section 20 would amend section 82-331 regarding the Nebraska Cultural Preservation Endowment Fund to repeal obsolete provisions.

Section 21 would amend section 84-602 which provides for duties of the State Treasurer. The bill would repeal a duty to render certain quarterly statements to the Director of Administrative Services and would add a duty to promote financial literacy.

Section 22 would amend section 84-612 regarding the Cash Reserve Fund to repeal obsolete provisions.

Section 23 would amend section 86-527 regarding the Information Technology Infrastructure Fund to repeal obsolete provisions.

Section 24 would provide for repealers of amendatory sections.

Section 25 would provide for the outright repeal of: section 18-2601 to 18-2609 (the Municipal Infrastructure Redevelopment Fund Act); section 72-1005 (the State Building Fund); and section 79-1034 (payment over to the State Treasurer by the county treasurer of funds belonging to the general school fund).

Matt Williams, Chairperson