

## LEGISLATIVE BILL 347

Approved by the Governor March 19, 2007

Introduced by Mines, 18

FOR AN ACT relating to bonds; to amend sections 11-104, 14-208, 15-251, 15-307, 15-308, 15-317, 16-219, 16-304, and 17-604, Reissue Revised Statutes of Nebraska, sections 16-318 and 17-541, Revised Statutes Cumulative Supplement, 2006, and section 14-553, Reissue Revised Statutes of Nebraska, as amended by section 1, Legislative Bill 206, One Hundredth Legislature, First Session, 2007; to change provisions relating to the giving of bonds by officials as prescribed; to provide for the acceptance of evidence of equivalent insurance; and to repeal the original sections.

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

Section 1. Section 11-104, Reissue Revised Statutes of Nebraska, is amended to read:

11-104 (1) All official bonds of officers of cities, towns, and villages shall be in all respects as required by executed pursuant to section 11-103, except that they shall be made payable to the city, town, or village in ~~and for~~ which the officers giving ~~the same~~ such bonds shall be elected or appointed, in such penalty as the city, ~~town or~~ council or board of trustees of the village council or trustees may fix.

(2) In any city or village, in place of the individual bonds required to be furnished by municipal officers, a schedule, position, blanket bond or undertaking, or evidence of equivalent insurance may be given by municipal officers, or a single corporate surety fidelity, schedule, position, or blanket bond or undertaking, or evidence of insurance coverage covering all the officers, including officers required by law to furnish an individual bond or undertaking, may be furnished. The municipality may pay the premium for the bond or insurance coverage. The bond or insurance coverage shall be, at a minimum, an aggregate of the amounts fixed by law or by the person, council, or board authorized by law to fix the amounts and with such terms and conditions as may be required.

Sec. 2. Section 14-208, Reissue Revised Statutes of Nebraska, is amended to read:

14-208 All members of the city council of a city of the metropolitan class shall qualify and give bond or evidence of equivalent insurance in the sum of five thousand dollars.

Sec. 3. Section 14-553, Reissue Revised Statutes of Nebraska, as amended by section 1, Legislative Bill 206, One Hundredth Legislature, First Session, 2007, is amended to read:

14-553 The city treasurer of a city of the metropolitan class shall be a member of the finance department of such city and shall give bond or evidence of equivalent insurance in an amount as required by the finance director of such city. The treasurer shall be liable ~~on his or her~~ bond for the safekeeping and proper disbursement of all funds and money of the city collected or received by him or her. He or she shall keep his or her books and accounts in such manner as to show the amount of money collected by him or her from all sources, the condition of each fund into which the same has been placed, and the items of disbursement thereof.

Sec. 4. Section 15-251, Reissue Revised Statutes of Nebraska, is amended to read:

15-251 A primary city of the primary class may require all officers or employees elected or appointed to give bond or evidence of equivalent insurance for the faithful performance of their duties. No officer shall become surety upon the official bond of another or upon any contractor's bond, license, or appeal bond given to the city, or under any ordinance thereof. It shall be optional with such officers to give a surety or guaranty company bond.

Sec. 5. Section 15-307, Reissue Revised Statutes of Nebraska, is amended to read:

15-307 All elective officers of the city, except ~~councilmen~~, council members, shall give a good and sufficient bond or evidence of equivalent insurance in an amount to be fixed by ordinance, for the faithful performance of their duties. Each ~~councilman~~ council member before entering upon the duties of his or her office shall give a bond or evidence of equivalent insurance in favor of the city in the sum of two thousand dollars. If a bond is given, it shall be signed by a surety company or by two or more good and sufficient sureties, who are residents of such city, who shall justify that

he or she is worth at least two thousand dollars over and above his or her debts, liabilities, and exemptions, conditioned for the faithful discharge of the duties of the ~~councilmen~~ council members and conditioned further that if the ~~said councilmen shall~~ council members vote for an expenditure of money or the creation of any liability in excess of the amount allowed by law, or ~~shall~~ vote for the transfer of any sum of money from one fund to another where such transfer is not allowed by law, such ~~councilman~~ council members and surety or sureties signing ~~said the~~ bonds shall be liable thereon.

Sec. 6. Section 15-308, Reissue Revised Statutes of Nebraska, is amended to read:

15-308 All appointive officers of the city before entering upon their respective duties shall give a good and sufficient bond or evidence of equivalent insurance in an amount to be fixed by ordinance in favor of the city, conditioned upon the faithful performance of their ~~duty~~ duties.

Sec. 7. Section 15-317, Reissue Revised Statutes of Nebraska, is amended to read:

15-317 The treasurer shall be required to give a bond or evidence of equivalent insurance of not less than one hundred and fifty thousand dollars or he or she may be required to give a bond or evidence of equivalent insurance double the sum of money estimated by the council to be at any time in his or her hands belonging to the city and school districts, and he or she shall be the custodian of all money belonging to the city and all securities belonging or to be held by the city. He or she shall keep a separate account of each fund or appropriation and debits and credits belonging thereto. He or she shall give every person paying money into the treasury a receipt therefor, specifying the date of payment and on what account paid, and he or she shall also file copies of receipts with his or her monthly report. He or she shall monthly and as often as required render to the city council an account under oath showing the state of the treasury at that date, the amount of money remaining in each fund, the amount paid therefrom, and the balance of money in the treasury. He or she shall also accompany such accounts with a statement of all receipts and disbursements, together with all warrants redeemed and paid by him or her, which warrants, together with any and all vouchers held by him or her, shall be filed ~~therewith~~ in the clerk's office, and if he or she neglects or fails for thirty days from the end of any month to enter such accounts, his or her office may by resolution of the mayor and council be declared vacant, and the mayor with the concurrence of the council shall fill the vacancy by appointment until the next election of the city officers. The treasurer may employ and appoint a deputy and an assistant or assistants as determined by ordinance. The treasurer shall be liable upon his or her official bond for the acts of such appointees.

Sec. 8. Section 16-219, Reissue Revised Statutes of Nebraska, is amended to read:

16-219 A city of the first class by ordinance may require all officers or servants, elected or appointed, to give bond and security or evidence of equivalent insurance for the faithful performance of their duties. No officer shall become surety upon the official bond of another, or upon any contractor's bond, license, or appeal bond given to the city, or under any ordinance thereof, or from conviction in the county court for violation of any ordinance of such city.

Sec. 9. Section 16-304, Reissue Revised Statutes of Nebraska, is amended to read:

16-304 Each council member, before entering upon the duties of his or her office, shall be required to give bond or evidence of equivalent insurance to the city. The bond shall be ~~7~~ with two or more good and sufficient sureties or some responsible surety company. If ~~+~~ ~~if~~ by two sureties, they shall each justify that he or she is worth ~~7~~ at least ~~7~~ two thousand dollars over and above all debts and exemptions. Such bonds or evidence of equivalent insurance shall be in the sum of one thousand dollars ~~7~~ and shall be conditioned for the faithful discharge of the duties of the council member giving ~~the same~~ such bond or insurance, and shall be further conditioned that if the ~~said~~ council member shall vote for any expenditure or appropriation of money or creation of any liability in excess of the amount allowed by law, such council member, and the sureties signing ~~said~~ such bond, shall be liable thereon. ~~Said~~ The bond shall be filed with the city clerk and approved by the mayor, and upon the approval, the city may pay the premium for such bond. Any liability sought to be incurred, or debt created in excess of the amount limited or authorized by law, shall be taken and held by every court of the state as the joint and several liability and obligation of the council member voting for and the mayor approving ~~the same~~ such liability, obligation, or debt, and not the debt, liability, or obligation of the city. Voting for or approving of such liability, obligation, or debt shall be

conclusive evidence of malfeasance in office for which such council member or mayor may be removed from office.

Sec. 10. Section 16-318, Revised Statutes Cumulative Supplement, 2006, is amended to read:

16-318 The treasurer shall be required to give bond or evidence of equivalent insurance of ~~is~~ not less than twenty-five thousand dollars, or he or she may be required to give bond in double the sum of money estimated by the council at any time to be in his or her hands belonging to the city and school district, and he or she shall be the custodian of all money belonging to the corporation. The city council shall pay the actual premium of the bond or insurance coverage of such treasurer. The treasurer shall keep a separate account of each fund or appropriation and the debts and credits belonging thereto. He or she shall give every person paying money into the treasury a receipt therefor, specifying date of payment and on what account paid. He or she shall also file copies of such receipts, except tax receipts, with his or her monthly reports, and he or she shall at the end of every month, and as often as may be requested, render an account to the city council, under oath, showing the state of the treasury at the date of such account, the amount of money remaining in each fund and the amount paid therefrom, and the balance of money in the treasury. He or she shall also accompany such account with a statement of all receipts and disbursements, together with all warrants redeemed and paid by him or her, which warrants, with all vouchers held by him or her, shall be filed with his or her account in the clerk's office. He or she shall produce and show all funds shown by such report to be on hand, or satisfy the council or its committee that he or she has such funds in his or her custody or under his or her control. If the treasurer fails to render his or her account within twenty days after the end of the month, or by a later date established by the council, the mayor with the consent of the council may consider this failure as cause to remove the treasurer from office. The treasurer may employ and appoint a delinquent tax collector, who shall be allowed a percent upon his or her collections to be fixed by the council not to exceed the fees allowed by law to the county treasurer for like services, and upon taxes collected by such delinquent tax collector the city treasurer shall receive no fees. The city treasurer shall prepare all paving and curbing tax lists and shall collect all paving and curbing taxes.

Sec. 11. Section 17-541, Revised Statutes Cumulative Supplement, 2006, is amended to read:

17-541 As soon as a system of waterworks or mains or portion or extension of any system of waterworks or water supply has been established by any city or village, the mayor of such city or the chairperson of the board of trustees of such village shall nominate and by and with the advice and consent of the city council or board of trustees, as the case may be, shall appoint any competent person who shall be known as the water commissioner of such city or village and whose term of office shall be for one fiscal year or until his or her successor is appointed and qualified. Annually at the first regular meeting of the city council or board of trustees in December, the water commissioner shall be appointed as provided in this section. The water commissioner may at any time, for sufficient cause, be removed by a two-thirds vote of the city council or board of trustees. Any vacancy occurring in the office of water commissioner by death, resignation, removal from office, or removal from the city or village may be filled in the manner provided in this section for the appointment of such commissioner. The water commissioner shall, before he or she enters upon the discharge of his or her duties, execute a bond or provide evidence of equivalent insurance to such city or village in a sum to be fixed by the mayor and council or the board of trustees, but not less than five thousand dollars, conditioned upon the faithful discharge of his or her duties, and such bond shall be signed by two or more good and sufficient sureties, to be approved by the mayor and council or board of trustees or executed by a corporate surety. The water commissioner, subject to the supervision of the mayor and council or board of trustees, shall have the general management and control of the system of waterworks or mains or portion or extension of any system of waterworks or water supply in the city or village. In a city or village where no board of public works exists, and such municipality has other public utilities than its waterworks system, the mayor and council or the board of trustees, as the case may be, shall by ordinance designate the water commissioner as public works commissioner with authority to manage not only the system of waterworks but also other public utilities, and all of the provisions of this section applying to the water commissioner shall apply to the public works commissioner.

Sec. 12. Section 17-604, Reissue Revised Statutes of Nebraska, is amended to read:

17-604 The city or village may enact ordinances or bylaws to regulate and prescribe the powers, duties, and compensation of officers not herein provided for, and to require from all officers and servants, elected or appointed, bonds and security or evidence of equivalent insurance for the faithful performance of their ~~duty~~ duties. The city or village may pay the premium for such bonds or insurance coverage.

Sec. 13. Original sections 11-104, 14-208, 15-251, 15-307, 15-308, 15-317, 16-219, 16-304, and 17-604, Reissue Revised Statutes of Nebraska, sections 16-318 and 17-541, Revised Statutes Cumulative Supplement, 2006, and section 14-553, Reissue Revised Statutes of Nebraska, as amended by section 1, Legislative Bill 206, One Hundredth Legislature, First Session, 2007, are repealed.