

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 851**

Introduced by McCollister, 20; Crawford, 45; Howard, 9.

Read first time January 08, 2016

Committee: Government, Military and Veterans Affairs

- 1 A BILL FOR AN ACT relating to state government; to amend sections 84-602
- 2 and 84-602.01, Reissue Revised Statutes of Nebraska, and section
- 3 84-602.02, Revised Statutes Supplement, 2015; to change the Taxpayer
- 4 Transparency Act; to define and redefine terms; to harmonize
- 5 provisions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 84-602, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 84-602 It shall be the duty of the State Treasurer:

4 (1) To receive and keep all money of the state not expressly  
5 required to be received and kept by some other person;

6 (2) To disburse the public money upon warrants drawn upon the state  
7 treasury according to law and not otherwise;

8 (3) To keep a just, true, and comprehensive account of all money  
9 received and disbursed;

10 (4) To keep a just account with each fund, and each head of  
11 appropriation made by law, and the warrants drawn against them;

12 (5) To render a full statement to the Department of Administrative  
13 Services of all money received by him or her from whatever source, and if  
14 on account of revenue, for what year; of all penalties and interest on  
15 delinquent taxes reported or accounted for to him or her, and of all  
16 disbursements of public funds; with a list, in numerical order, of all  
17 warrants redeemed, the name of the payee, amount, interest, and total  
18 amount allowed thereon, and with the amount of the balance of the several  
19 funds unexpended; which statement shall be made on the first day of  
20 December, March, June, and September, and more often if required;

21 (6) To report electronically to the Legislature as soon as  
22 practicable, but within ten days after the commencement of each regular  
23 session, a detailed statement of the condition of the treasury and its  
24 operations for the preceding fiscal year;

25 (7) To give information electronically to the Legislature, whenever  
26 required, upon any subject connected with the treasury or touching any  
27 duty of his or her office;

28 (8) To account for, and pay over, all money received by him or her  
29 as such treasurer, to his or her successor in office, and deliver all  
30 books, vouchers, and effects of office to him or her; and such successor  
31 shall receipt therefor. In accounting for and paying over such money the

1 treasurer shall not be held liable on account of any loss occasioned by  
2 any investment, when such investment shall have been made pursuant to the  
3 direction of the state investment officer; and

4 (9) To develop and maintain the a single, searchable web site  
5 required under the Taxpayer Transparency Act with information on state  
6 tax receipts, expenditures, and contracts which is accessible by the  
7 public at no cost to access as provided in section 84-602.02. The web  
8 site shall be hosted on a server owned and operated by the State of  
9 Nebraska or approved by the Chief Information Officer. The naming  
10 convention for the web site shall identify the web site as a state  
11 government web site. The web site shall not include the treasurer's name,  
12 the treasurer's image, the treasurer's seal, or a welcome message.

13 Sec. 2. Section 84-602.01, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 84-602.01 (1) Sections 84-602.01 and The establishment of the web  
16 site provided for in section 84-602 and described in section 84-602.02  
17 shall be known and may be cited as the Taxpayer Transparency Act.

18 (2) For purposes of the Taxpayer Transparency Act:

19 (a)(i) Expenditure of state funds means all expenditures of state  
20 receipts, whether appropriated or nonappropriated, by a state entity in  
21 forms including, but not limited to:

22 (A) Grants;

23 (B) Contracts;

24 (C) Subcontracts;

25 (D) State aid to political subdivisions;

26 (E) Tax refunds or credits that may be disclosed pursuant to the  
27 Nebraska Advantage Act, the Nebraska Advantage Microenterprise Tax Credit  
28 Act, the Nebraska Advantage Research and Development Act, or the Nebraska  
29 Advantage Rural Development Act; and

30 (F) Any other disbursement of state receipts by a state entity in  
31 the performance of its functions.

1       (ii) Expenditure of state funds does not include the transfer of  
2 funds between two state entities, payments of state or federal assistance  
3 to an individual, or the expenditure of pass-through funds;

4       (b) Pass-through funds means any funds received by a state entity if  
5 the state entity is acting only as an intermediary or custodian with  
6 respect to such funds and is obligated to pay or otherwise return such  
7 funds to the person entitled thereto;

8       (c) State entity means (i) any agency, board, commission, or  
9 department of the state and (ii) any other body created by state statute  
10 that includes a person appointed by the Governor, the head of any state  
11 agency or department, an employee of the State of Nebraska, or any  
12 combination of such persons and that is empowered pursuant to such  
13 statute to collect and disburse state receipts; and

14       (d) State receipts means revenue or other income which is received  
15 by a state entity from tax receipts, fees, charges, interest, or other  
16 sources and which is used by the state entity to pay the expenses  
17 necessary to perform the state entity's functions. State receipts does  
18 not include pass-through funds.

19       Sec. 3. Section 84-602.02, Revised Statutes Supplement, 2015, is  
20 amended to read:

21       84-602.02 (1) The State Treasurer shall develop and maintain a  
22 single, searchable web site with information on state receipts,  
23 expenditures of state funds, and contracts which is accessible by the  
24 public at no cost to access as provided in this section. The web site  
25 shall be hosted on a server owned and operated by the State of Nebraska  
26 or approved by the Chief Information Officer. The naming convention for  
27 the web site shall identify the web site as a state government web site.  
28 The web site shall not include the treasurer's name, the treasurer's  
29 image, the treasurer's seal, or a welcome message.

30       (2)(a) The ~~(1)(a)~~ Not later than January 1, 2010, the web site  
31 established, developed, and maintained by the State Treasurer pursuant to

1 ~~this section subdivision (9) of section 84-602~~ shall provide such  
2 information as will document the sources of all state tax receipts and  
3 the expenditure of state funds by all ~~agencies, boards, commissions, and~~  
4 ~~departments of the state entities.~~

5 (b) The State Treasurer shall, in appropriate detail, cause to be  
6 published on the web site:

7 (i) The identity, principal location, and amount of state receipts  
8 ~~funds~~ received or expended by the State of Nebraska and all of its state  
9 entities ~~agencies, boards, commissions, and departments;~~

10 (ii) The funding or expending state entity ~~agency, board,~~  
11 ~~commission, or department;~~

12 (iii) The budget program source;

13 (iv) The amount, date, purpose, and recipient of all expenditures of  
14 state funds ~~disbursed funds;~~ and

15 (v) Such other relevant information as will further the intent of  
16 enhancing the transparency of state government financial operations to  
17 its citizens and taxpayers. The web site shall include data for fiscal  
18 year 2008-09 and each fiscal year thereafter, except that for any state  
19 entity that becomes subject to this section due to the changes made by  
20 this legislative bill, the web site shall include data for such state  
21 entity for fiscal year 2016-17 and each fiscal year thereafter.

22 (3 2) ~~The Beginning July 1, 2010,~~ the data shall be available on the  
23 web site no later than thirty days after the end of the preceding fiscal  
24 year.

25 (4)(a) ~~The (3)(a) Beginning July 1, 2014,~~ the web site described in  
26 this section shall include a link to the web site of the Department of  
27 Administrative Services. The department's web site shall contain:

28 (i) A data base that includes a copy of each active contract that is  
29 a basis for an expenditure of state funds, including any amendment to  
30 such contract and any document incorporated by reference in such  
31 contract. For purposes of this subdivision, amendment means an agreement

1 to modify a contract which has been reduced to writing and signed by each  
2 party to the contract, an agreement to extend the duration of a contract,  
3 or an agreement to renew a contract. The data base shall be accessible by  
4 the public and searchable by vendor, by state entity agency, board,  
5 commission, or department, and by dollar amount. All agencies, boards,  
6 commissions, and departments of the state entities shall provide to the  
7 Department of Administrative Services, in electronic form, copies of such  
8 contracts for inclusion in the data base beginning with contracts that  
9 are active on and after January 1, 2014, except that for any state entity  
10 that becomes subject to this section due to the changes made by this  
11 legislative bill, such state entity shall provide copies of such  
12 contracts for inclusion in the data base beginning with contracts that  
13 are active on and after January 1, 2017; and

14 (ii) A data base that includes copies of all expired contracts which  
15 were previously included in the data base described in subdivision (4)(a)  
16 (i) (3)(a)(i) of this section and which have not been disposed of  
17 pursuant to policies and procedures adopted under subdivision (4)(e) (3)  
18 (e) of this section. The data base required under this subdivision shall  
19 be accessible by the public and searchable by vendor, by state entity  
20 agency, board, commission, or department, and by dollar amount.

21 (b) The following shall be redacted or withheld from any contract  
22 before such contract is included in a data base pursuant to subdivision  
23 (4)(a) (3)(a) of this section:

24 (i) The social security number or federal tax identification number  
25 of any individual or business;

26 (ii) Protected health information as such term is defined under the  
27 federal Health Insurance Portability and Accountability Act of 1996, as  
28 such act existed on January 1, 2013;

29 (iii) Any information which may be withheld from the public under  
30 section 84-712.05; or

31 (iv) Any information that is confidential under state or federal

1 law, rule, or regulation.

2 (c) The following contracts shall be exempt from the requirements of  
3 subdivision (4)(a) ~~(3)(a)~~ of this section:

4 (i) Contracts entered into by the Department of Health and Human  
5 Services that are letters of agreement for the purpose of providing  
6 specific services to a specifically named individual and his or her  
7 family;

8 (ii) Contracts entered into by the University of Nebraska or any of  
9 the Nebraska state colleges for the purpose of providing specific  
10 services or financial assistance to a specifically named individual and  
11 his or her family;

12 (iii) Contracts entered into by the Department of Veterans' Affairs  
13 under section 80-401 or 80-403 for the purpose of providing aid to a  
14 specifically named veteran and his or her family;

15 (iv) Contracts entered into by the State Energy Office for the  
16 purpose of providing financing from the Dollar and Energy Saving Loan  
17 program; and

18 (v) Contracts of employment for employees of any ~~agency, board,~~  
19 ~~commission, or department of the state~~ entity. The exemption provided in  
20 this subdivision shall not apply to contracts entered into by any ~~agency,~~  
21 ~~board, commission, or department of the state~~ entity to obtain the  
22 services of an independent contractor.

23 (d) No ~~agency, board, commission, or department of the state~~ entity  
24 shall structure a contract to avoid any of the requirements of  
25 subdivision (4)(a) ~~(3)(a)~~ of this section.

26 (e) The Department of Administrative Services shall adopt policies  
27 and procedures regarding the creation, maintenance, and disposal of  
28 records pursuant to section 84-1212.02 for the contracts contained in the  
29 data bases required under this section and the process by which ~~agencies,~~  
30 ~~boards, commissions, and departments of the state~~ entities provide copies  
31 of the contracts required under this section.

1           ~~(5 4) All agencies, boards, commissions, and departments of the~~  
2           ~~state entities shall provide to the State Treasurer, at such times and in~~  
3           ~~such form as designated by the State Treasurer, such information as is~~  
4           ~~necessary to accomplish the purposes of the Taxpayer Transparency Act.~~

5           ~~(6 5) Nothing in this section requires the disclosure of information~~  
6           ~~which is considered confidential under state or federal law or is not a~~  
7           ~~public record under section 84-712.05.~~

8           ~~(6)(a) For purposes of this section, expenditure of state funds~~  
9           ~~means all expenditures of appropriated or nonappropriated funds by an~~  
10           ~~agency, board, commission, or department of the state from the state~~  
11           ~~treasury in forms including, but not limited to:~~

12           ~~(i) Grants;~~

13           ~~(ii) Contracts;~~

14           ~~(iii) Subcontracts;~~

15           ~~(iv) State aid to political subdivisions; and~~

16           ~~(v) Tax refunds or credits that may be disclosed pursuant to the~~  
17           ~~Nebraska Advantage Act, the Nebraska Advantage Microenterprise Tax Credit~~  
18           ~~Act, the Nebraska Advantage Research and Development Act, or the Nebraska~~  
19           ~~Advantage Rural Development Act.~~

20           ~~(b) Expenditure of state funds does not include the transfer of~~  
21           ~~funds between two agencies, boards, commissions, or departments of the~~  
22           ~~state or payments of state or federal assistance to an individual.~~

23           Sec. 4. Original sections 84-602 and 84-602.01, Reissue Revised  
24           Statutes of Nebraska, and section 84-602.02, Revised Statutes Supplement,  
25           2015, are repealed.