

February 15, 1974

PRESIDENT: Is there further discussion of the committee amendment to LB689? All those in favor of adopting the committee amendments to LB689, say aye. Those opposed, say no. So ordered, amendments are adopted. Now, Senator Skarda.

SENATOR SKARDA: Mr. Chairman. I move the bill be advanced as amended.

PRESIDENT: All right, is there further discussion now on LB689 as amended? Then, the question is, shall LB689 be advanced from General File to E & R initial. All those in favor, vote aye. Senator Keyes? Oh, thank you. All those in favor of advancing the bill, vote aye. All those opposed, vote no. Voting on the advancement of LB689 from General File. LB689 from General File, looking for a vote. Thank you. The Clerk will record.

CLERK: 26 ayes, no nays, 23 not voting.

PRESIDENT: The bill is advanced. Looking at LB636, Senator Warner's bill.

CLERK: Read LB636. There are committee amendments from the Labor Committee, Senator Maresh, Chairman.

PRESIDENT: Senator Maresh, for the Committee amendments.

SENATOR MARESH: Mr. President and members of the Legislature. The opponents of the bill came up with a compromise and these are the committee amendments. I'll turn these over to Senator Warner who will explain the amendments on his bill.

PRESIDENT: Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature. The committee amendments will become the bill...I'll explain the bill as well as the amendments. The purpose of the bill was the contract the various cities and villages find for construction. By state law, many of these running back to the early 1800's withheld are only paid up to 80% of the construction costs as the work is completed. The holding of this large amount of 20% reserve is obviously, the cost of doing it, the borrowing of the money is added onto the contract and it adds onto the expense of doing the work and it is no longer necessary to have that high of amount of 20% of the contract withheld for two reasons. One, is that there are performance bonds which fully guarantee the work and secondly, contracts for this kind of work today are quite exact whereas 50 or 60 years ago, the contract usually only estimates because they didn't have the engineering refinement to measure, for example, how much dirt was going to be moved and this type of thing. What the amendment does, it would permit the payment of up to 95% of the amount that was due for completed work and the other portion of it would require that if a town had not sent a check 45 days to the contractor, 45 days after the town had approved sending the check at a meeting, then it would start to draw interest and I believe that everyone that had a concern with the bill is in concurrence with the committee amendments, with the bill. I move adoption of the committee amendments.

PRESIDENT: Any further discussion of the committee amendments? Then, the question is, shall the committee amendments be adopted. All those in favor, please say aye. Those opposed, say no. The committee amendments are adopted. Are there other amendments to the bill? All right, Senator Warner, back to you.

SENATOR WARNER: Mr. President, I move that LB636 be advanced to E & R initial.