

SENATOR McFARLAND: I wanted to disclose that in reviewing LB 1255 there is a claim number 10 for \$13,695. The attorney listed is Steve Burns at 605 South 14th Street here in Lincoln. Steve Burns is a law office colleague of mine. This case, the Drinkwine case, was handled by my law office colleague, Beverly Grenier and Steve Burns, and I wanted, for the record, to disclose a potential conflict of interest and indicate that I would not be voting on this bill.

SPEAKER NICHOL: All right.

SENATOR McFARLAND: Thank you, Mr. Speaker.

SPEAKER NICHOL: You bet. Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the body, if you have the bill in front of you, please look on page 5, request number 144, made by the Department of Public Institutions. It is for \$198,000. Now upon talking to Senator Barrett about this he informed me that this is a write-off. I asked, what do you mean, a write-off. And Senator Barrett explained to me that they are bills that are uncollectible. Senator Barrett further informed me that this usually happens every year. So I am going to raise the point, fellow members, that I would like to request Senator Barrett's committee to ask some questions and to investigate just exactly what do we mean when we say we are writing off \$198,000 in uncollectible bills that are wrote to the state. Now if you will notice, these others are also, I believe, uncollectible. Now this \$198,000 is merely, in my opinion, a loss to the state. When a department loses 198,000 we have to make it up somewhere. So, with those remarks, I would like to request that Senator Barrett's committee look into the situation, ask questions, get some answers as to why they are uncollectible, what this amounts to over the last three or four years, and see if we don't have to change the system some way not to put up with this type of uncollectible bills in a state agency. Thank you, Mr. President.

SPEAKER NICHOL: Thank you. Senator Barrett.

SENATOR BARRETT: Thank you, Mr. President. Yes, in response to Senator Haberman's concern, these are in fact uncollectible. This is a procedure which we go through every year. It is standard accounting procedure, be it private industry, be it State of Nebraska. The agencies involved here request the State Claims Board for permission to write-off these accounts. The