

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 39
Final Reading

Introduced by Harms, 48.

Read first time January 10, 2013

Committee: Executive Board

A BILL

1 FOR AN ACT relating to the Legislature; to amend sections 50-1202,
2 50-1203, 50-1204, 50-1208, 50-1209, 50-1213, and 50-1214,
3 Reissue Revised Statutes of Nebraska, and sections
4 43-4302, 50-1205, 50-1210, 50-1211, 77-2711, and
5 77-27,119, Revised Statutes Cumulative Supplement, 2012;
6 to eliminate and replace references to the Legislative
7 Performance Audit Section; and to repeal the original
8 sections.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 43-4302, Revised Statutes Cumulative
2 Supplement, 2012, is amended to read:

3 43-4302 (1) It is the intent of the Legislature to:

4 (a) Establish a full-time program of investigation and
5 performance review to provide increased accountability and oversight
6 of the Nebraska child welfare system;

7 (b) Assist in improving operations of the department and
8 the Nebraska child welfare system;

9 (c) Provide an independent form of inquiry for concerns
10 regarding the actions of individuals and agencies responsible for the
11 care and protection of children in the Nebraska child welfare system.
12 Confusion of the roles, responsibilities, and accountability
13 structures between individuals, private contractors, and agencies in
14 the current system make it difficult to monitor and oversee the
15 Nebraska child welfare system; and

16 (d) Provide a process for investigation and review to
17 determine if individual complaints and issues of investigation and
18 inquiry reveal a problem in the child welfare system, not just
19 individual cases, that necessitates legislative action for improved
20 policies and restructuring of the child welfare system.

21 (2) It is not the intent of the Legislature in enacting
22 the Office of Inspector General of Nebraska Child Welfare Act to
23 interfere with the duties of the ~~Legislative Performance Audit~~
24 ~~Section of the Legislative Performance Audit Committee~~ Legislative
25 Auditor or the Legislative Fiscal Analyst or to interfere with the

1 statutorily defined investigative responsibilities or prerogatives of
2 any officer, agency, board, bureau, commission, association, society,
3 or institution of the executive branch of state government, except
4 that the act does not preclude an inquiry on the sole basis that
5 another agency has the same responsibility. The act shall not be
6 construed to interfere with or supplant the responsibilities or
7 prerogatives of the Governor to investigate, monitor, and report on
8 the activities of the agencies, boards, bureaus, commissions,
9 associations, societies, and institutions of the executive branch
10 under his or her administrative direction.

11 Sec. 2. Section 50-1202, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 50-1202 (1) The Legislature hereby finds and declares
14 that pursuant to section 50-402 it is the duty of the Legislative
15 Council to do independent assessments of the performance of state
16 government organizations, programs, activities, and functions in
17 order to provide information to improve public accountability and
18 facilitate decisionmaking by parties with responsibility to oversee
19 or initiate corrective action.

20 (2) The purpose of the Legislative Performance Audit Act
21 is to provide for a system of performance audits to be conducted by
22 ~~the Legislative Performance Audit Section~~ office of Legislative Audit
23 as directed by the Legislative Performance Audit Committee.

24 (3) It is not the purpose of the act to interfere with
25 the duties of the Public Counsel or the Legislative Fiscal Analyst or

1 to interfere with the statutorily defined investigative
2 responsibilities or prerogative of any executive state officer,
3 agency, board, bureau, commission, association, society, or
4 institution, except that the act shall not be construed to preclude a
5 performance audit of an agency on the basis that another agency has
6 the same responsibility. The act shall not be construed to interfere
7 with or supplant the responsibilities or prerogative of the Governor
8 to monitor and report on the performance of the agencies, boards,
9 bureaus, commissions, associations, societies, and institutions under
10 his or her administrative direction.

11 Sec. 3. Section 50-1203, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 50-1203 For purposes of the Legislative Performance Audit
14 Act:

15 (1) Agency means any department, board, commission, or
16 other governmental unit of the State of Nebraska acting or purporting
17 to act by reason of connection with the State of Nebraska but does
18 not include (a) any court, (b) the Governor or his or her personal
19 staff, (c) any political subdivision or entity thereof, or (d) any
20 entity of the federal government;

21 (2) Auditor of Public Accounts means the Auditor of
22 Public Accounts whose powers and duties are prescribed in section
23 84-304;

24 (3) Business day means a day on which state offices are
25 open for regular business;

1 (4) Committee means the Legislative Performance Audit
2 Committee;

3 (5) Committee report means the report released by the
4 committee at the conclusion of a performance audit;

5 (6) Legislative Auditor means the Legislative Auditor
6 appointed by the Executive Board of the Legislative Council under
7 section 50-401.01;

8 (7) Majority vote means a vote by the majority of the
9 committee's members;

10 (8) Office means the office of Legislative Audit;

11 ~~(8)~~ (9) Performance audit means an objective and
12 systematic examination of evidence for the purpose of providing an
13 independent assessment of the performance of a government
14 organization, program, activity, or function in order to provide
15 information to improve public accountability and facilitate
16 decisionmaking by parties with responsibility to oversee or initiate
17 corrective action. Performance audits may have a variety of
18 objectives, including the assessment of a program's effectiveness and
19 results, economy and efficiency, internal control, and compliance
20 with legal or other requirements;

21 ~~(9)~~ (10) Preaudit inquiry means an investigatory process
22 during which the ~~section~~ office gathers and examines evidence to
23 determine if a performance audit topic has merit; and

24 ~~(10)~~ ~~Section~~ means ~~the~~ ~~Legislative~~ ~~Performance~~ ~~Audit~~
25 ~~Section;~~ and

1 (11) Working papers means those documents containing
2 evidence to support the ~~section's~~office's findings, opinions,
3 conclusions, and judgments and includes the collection of evidence
4 prepared or obtained by the ~~section~~office during the performance
5 audit or preaudit inquiry.

6 Sec. 4. Section 50-1204, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 50-1204 (1) The Legislative Performance Audit Committee
9 is hereby established as a special legislative committee to exercise
10 the authority and perform the duties provided for in the Legislative
11 Performance Audit Act. The committee shall be composed of the Speaker
12 of the Legislature, the chairperson of the Executive Board of the
13 Legislative Council, the chairperson of the Appropriations Committee
14 of the Legislature, and four other members of the Legislature to be
15 chosen by the Executive Board of the Legislative Council. The
16 executive board shall ensure that the Legislative Performance Audit
17 Committee includes adequate geographic representation. The
18 chairperson and vice-chairperson of the Legislative Performance Audit
19 Committee shall be elected by majority vote. The committee shall be
20 subject to all rules prescribed by the Legislature. The committee
21 shall be reconstituted at the beginning of each Legislature and shall
22 meet as needed.

23 (2) ~~The Legislative Performance Audit Section is~~
24 ~~established. The section shall be administered by the Legislative~~
25 Auditor, ~~who~~ shall ensure that performance audit work conducted by

1 the ~~section—office~~ conforms with performance audit standards
2 contained in the Government Auditing Standards (2007 revision) as
3 required in section 50-1205.01. The ~~section—office~~ shall be composed
4 of the Legislative Auditor and other employees of the Legislature
5 employed to conduct performance audits. The ~~section—office~~ shall be
6 the custodian of all records generated by the committee or ~~section~~
7 office except as provided by section 50-1213, subsection (11) of
8 section 77-2711, or subdivision (10)(a) of section 77-27,119. The
9 ~~section—office~~ shall inform the Legislative Fiscal Analyst of its
10 activities and consult with him or her as needed. The ~~section—office~~
11 shall operate under the general direction of the committee.

12 Sec. 5. Section 50-1205, Revised Statutes Cumulative
13 Supplement, 2012, is amended to read:

14 50-1205 The committee shall:

15 (1) Adopt, by majority vote, procedures consistent with
16 the Legislative Performance Audit Act to govern the business of the
17 committee and the conduct of performance audits;

18 (2) Ensure that performance audits done by the committee
19 are not undertaken based on or influenced by special or partisan
20 interests;

21 (3) Review performance audit requests and select, by
22 majority vote, agencies or agency programs for performance audit;

23 (4) Review, amend, if necessary, and approve a scope
24 statement and an audit plan for each performance audit;

25 (5) Respond to inquiries regarding performance audits;

1 (6) Inspect or approve the inspection of the premises, or
2 any parts thereof, of any agency or any property owned, leased, or
3 operated by an agency as frequently as is necessary in the opinion of
4 the committee to carry out a performance audit or preaudit inquiry;

5 (7) Inspect and examine, or approve the inspection and
6 examination of, the records and documents of any agency as a part of
7 a performance audit or preaudit inquiry;

8 (8) Administer oaths, issue subpoenas, compel the
9 attendance of witnesses and the production of any papers, books,
10 accounts, documents, and testimony, and cause the depositions of
11 witnesses either residing within or without the state to be taken in
12 the manner prescribed by law for taking depositions in civil actions
13 in the district court;

14 (9) Review completed performance audit reports prepared
15 by the ~~section, office,~~ together with comments from the evaluated
16 agency, and adopt recommendations and incorporate them into a
17 committee report;

18 (10) Release the committee report to the public and
19 distribute it electronically to the Legislature with or without
20 benefit of a public hearing;

21 (11) Hold a public hearing, at the committee's
22 discretion, for the purpose of receiving testimony prior to issuance
23 of the committee report;

24 (12) Establish a system to ascertain and monitor an
25 agency's implementation of the recommendations contained in the

1 committee report and compliance with any statutory changes resulting
2 from the recommendations;

3 (13) Issue an annual report each September, to be
4 prepared by the Legislative Auditor and approved by the committee,
5 summarizing recommendations made pursuant to reports of performance
6 audits during the previous fiscal year and the status of
7 implementation of those recommendations;

8 (14) Consult with the Legislative Auditor regarding the
9 staffing and budgetary needs of the ~~section-office~~ and assist in
10 presenting budget requests to the Appropriations Committee of the
11 Legislature;

12 (15) Approve or reject, within the budgetary limits of
13 the ~~section-office~~, contracts to retain consultants to assist with
14 performance audits requiring specialized knowledge or expertise.
15 Requests for consultant contracts shall be approved by the
16 Legislative Auditor and presented to the Legislative Performance
17 Audit Committee by the Legislative Auditor. A majority vote shall be
18 required to approve consultant contract requests. For purposes of
19 section 50-1213, subsection (11) of section 77-2711, and subsections
20 (10) through (13) of section 77-27,119, any consultant retained to
21 assist with a performance audit or preaudit inquiry shall be
22 considered an employee of the ~~section-office~~ during the course of the
23 contract; and

24 (16) At its discretion, and with the agreement of the
25 Auditor of Public Accounts, conduct joint fiscal or performance

1 audits with the Auditor of Public Accounts. The details of any joint
2 audit shall be agreed upon in writing by the committee and the
3 Auditor of Public Accounts.

4 Sec. 6. Section 50-1208, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 50-1208 (1) The committee shall, by majority vote, adopt
7 requests for performance audit. The committee chairperson shall
8 notify each requester of any action taken on his or her request.

9 (2) Before the ~~section-office~~ begins a performance audit,
10 it shall notify in writing the agency director, the program director,
11 when relevant, and the Governor that a performance audit will be
12 conducted.

13 (3) Following notification, the ~~section-office~~ shall
14 arrange an entrance conference to provide the agency with further
15 information about the audit process. The agency director shall inform
16 the agency staff, in writing, of the performance audit and shall
17 instruct agency staff to cooperate fully with the ~~section-~~ office.

18 (4) After the entrance conference, the ~~section-office~~
19 shall conduct the research necessary to draft a scope statement for
20 consideration by the committee. The scope statement shall identify
21 the specific issues to be addressed in the audit. The committee
22 shall, by majority vote, adopt, reject, or amend and adopt the scope
23 statement prepared by the ~~section-~~ office.

24 (5) Once the committee has adopted a scope statement, the
25 ~~section-office~~ shall develop an audit plan. The audit plan shall

1 include a description of the research and audit methodologies to be
2 employed and a projected deadline for completion of the ~~section's~~
3 office's report. The audit plan shall be submitted to the committee,
4 and a majority vote shall be required for its approval.

5 (6) If the performance audit reveals a need to modify the
6 scope statement or audit plan, the Legislative Auditor may request
7 that the committee make revisions. A majority vote shall be required
8 to revise the scope statement or audit plan. The agency shall be
9 notified in writing of any revision to the scope statement or audit
10 plan.

11 Sec. 7. Section 50-1209, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 50-1209 Upon approval of an audit plan pursuant to
14 section 50-1208, the agency shall be notified in writing of the
15 specific scope of the audit and the projected deadline for completion
16 of the ~~section's~~office's report. If the ~~section~~office needs
17 information from a political subdivision or entity thereof to
18 effectively conduct a performance audit of an agency, the political
19 subdivision or entity thereof shall provide information, on request,
20 to the ~~section~~office.

21 Sec. 8. Section 50-1210, Revised Statutes Cumulative
22 Supplement, 2012, is amended to read:

23 50-1210 (1) Upon completion of a performance audit, the
24 ~~section~~office shall prepare a report of its findings and
25 recommendations for action. The Legislative Auditor shall provide the

1 ~~section's~~office's report concurrently to the committee, agency
2 director, and Legislative Fiscal Analyst. The report submitted to the
3 committee and the Legislative Fiscal Analyst shall be submitted
4 electronically. The committee may, by majority vote, release the
5 ~~section's~~office's report or portions thereof to other individuals,
6 with the stipulation that the released material shall be kept
7 confidential.

8 (2) When the Legislative Auditor provides the report to
9 the Legislative Fiscal Analyst, the Legislative Fiscal Analyst shall
10 issue an opinion to the committee indicating whether the ~~section's~~
11 office's recommendations can be implemented by the agency within its
12 current appropriation.

13 (3) When the Legislative Auditor provides the report to
14 the agency, the agency shall have twenty business days from the date
15 of receipt of the report to provide a written response. Any written
16 response received from the agency shall be attached to the committee
17 report. The agency shall not release any part of the report to any
18 person outside the agency, except that an agency may discuss the
19 report with the Governor. The Governor shall not release any part of
20 the report.

21 (4) Following receipt of any written response from the
22 agency, the Legislative Auditor shall prepare a brief written summary
23 of the response, including a description of any significant
24 disagreements the agency has with the ~~section's~~office's report or
25 recommendations.

1 Sec. 9. Section 50-1211, Revised Statutes Cumulative
2 Supplement, 2012, is amended to read:

3 50-1211 (1) The committee shall review the ~~section's~~
4 office's report, the agency's response, the Legislative Auditor's
5 summary of the agency's response, and the Legislative Fiscal
6 Analyst's opinion prescribed in section 50-1210. The committee may
7 amend and shall adopt or reject each recommendation in the report and
8 indicate whether each recommendation can be implemented by the agency
9 within its current appropriation. The adopted recommendations shall
10 be incorporated into a committee report, which shall be approved by
11 majority vote.

12 (2) The committee report shall include, but not be
13 limited to, the ~~section's~~ office's report, the agency's written
14 response to the report, the Legislative Auditor's summary of the
15 agency response, the committee's recommendations, and any opinions of
16 the Legislative Fiscal Analyst regarding whether the committee's
17 recommendations can be implemented by the agency within its current
18 appropriation.

19 (3) The committee may decide, by majority vote, to defer
20 adoption of a committee report pending a public hearing. If the
21 committee elects to schedule a public hearing, it shall release, for
22 review by interested persons prior to the hearing, the ~~section's~~
23 office's report, the agency's response, the Legislative Auditor's
24 summary of the agency's response, and any opinions of the Legislative
25 Fiscal Analyst. The public hearing shall be held not less than ten

1 nor more than twenty business days following release of the
2 materials.

3 (4) When the committee elects to schedule a hearing, a
4 summary of the testimony received at the hearing shall be attached to
5 the committee report as an addendum. A transcript of the testimony
6 received at the hearing shall be on file with the committee and
7 available for public inspection. Unless the committee votes to delay
8 release of the committee report, the report shall be released within
9 forty business days after the public hearing.

10 (5) Once the committee has approved its report, the
11 committee shall, by majority vote, cause the committee report to be
12 released to all members of the Legislature and to the public. The
13 report submitted to the members of the Legislature shall be submitted
14 electronically. The committee may, by majority vote, release the
15 committee report or portions thereof prior to public release of the
16 report.

17 Sec. 10. Section 50-1213, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 50-1213 (1) The ~~section-office~~ shall have access to any
20 and all information and records, confidential or otherwise, of any
21 agency, in whatever form they may be, unless the ~~section-office is~~
22 denied such access by federal law or explicitly named and denied such
23 access by state law. If such a law exists, the agency shall provide
24 the committee with a written explanation of its inability to produce
25 such information and records and, after reasonable accommodations are

1 made, shall grant the ~~section-office~~ access to all information and
2 records or portions thereof that can legally be reviewed.
3 Accommodations that may be negotiated between the agency and the
4 committee include, but are not limited to, a requirement that
5 specified information or records be reviewed on agency premises and a
6 requirement that specified working papers be securely stored on
7 agency premises.

8 (2) Except as provided in this section, any confidential
9 information or confidential records shared with the ~~section-office~~
10 shall remain confidential and shall not be shared by an employee of
11 the ~~section-office~~ with any person who is not an employee of the
12 ~~section, office,~~ including any member of the committee. If necessary
13 for the conduct of the performance audit, the ~~section-office~~ may
14 discuss or share confidential information with the chairperson of the
15 committee. If a dispute arises between the ~~section-office~~ and the
16 agency as to the accuracy of a performance audit or preaudit inquiry
17 involving confidential information or confidential records, the
18 Speaker of the Legislature, as a member of the committee, will be
19 allowed access to the confidential information or confidential
20 records for the purpose of assessing the accuracy of the performance
21 audit or preaudit inquiry.

22 (3) Except as provided in subdivision (10)(c) of section
23 77-27,119, if the speaker or chairperson knowingly divulges or makes
24 known, in any manner not permitted by law, confidential information
25 or confidential records, he or she shall be guilty of a Class III

1 misdemeanor. Except as provided in subsection (11) of section 77-2711
2 and subdivision (10)(c) of section 77-27,119, if any employee or
3 former employee of the ~~section-office~~ knowingly divulges or makes
4 known, in any manner not permitted by law, confidential information
5 or confidential records, he or she shall be guilty of a Class III
6 misdemeanor and, in the case of an employee, shall be dismissed.

7 (4) No proceeding of the committee or opinion or
8 expression of any member of the committee or ~~section-office~~ employee
9 acting at the direction of the committee shall be reviewable in any
10 court. No member of the committee or ~~section-office~~ employee acting
11 at the direction of the committee shall be required to testify or
12 produce evidence in any judicial or administrative proceeding
13 concerning matters relating to the work of the ~~section-office~~ except
14 in a proceeding brought to enforce the Legislative Performance Audit
15 Act.

16 (5) Pursuant to sections 84-712 and 84-712.01 and
17 subdivision (5) of section 84-712.05, the working papers obtained or
18 produced by the committee or ~~section-office~~ shall not be considered
19 public records. The committee may make the working papers available
20 for purposes of an external quality control review as required by
21 generally accepted government auditing standards. However, any
22 reports made from such external quality control review shall not make
23 public any information which would be considered confidential when in
24 the possession of the ~~section-~~ office.

25 Sec. 11. Section 50-1214, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 50-1214 By majority vote, the committee may decide not to
3 include in any document that will be a public record the names of
4 persons providing information to the ~~section-office~~ or committee.

5 No employee of the State of Nebraska who provides
6 information to the committee or ~~section-office~~ shall be subject to
7 any penalties, sanctions, or restrictions in connection with his or
8 her employment as a result of the provision of such information.

9 Sec. 12. Section 77-2711, Revised Statutes Cumulative
10 Supplement, 2012, is amended to read:

11 77-2711 (1)(a) The Tax Commissioner shall enforce
12 sections 77-2701.04 to 77-2713 and may prescribe, adopt, and enforce
13 rules and regulations relating to the administration and enforcement
14 of such sections.

15 (b) The Tax Commissioner may prescribe the extent to
16 which any ruling or regulation shall be applied without retroactive
17 effect.

18 (2) The Tax Commissioner may employ accountants,
19 auditors, investigators, assistants, and clerks necessary for the
20 efficient administration of the Nebraska Revenue Act of 1967 and may
21 delegate authority to his or her representatives to conduct hearings,
22 prescribe regulations, or perform any other duties imposed by such
23 act.

24 (3)(a) Every seller, every retailer, and every person
25 storing, using, or otherwise consuming in this state property

1 purchased from a retailer shall keep such records, receipts,
2 invoices, and other pertinent papers in such form as the Tax
3 Commissioner may reasonably require.

4 (b) Every such seller, retailer, or person shall keep
5 such records for not less than three years from the making of such
6 records unless the Tax Commissioner in writing sooner authorized
7 their destruction.

8 (4) The Tax Commissioner or any person authorized in
9 writing by him or her may examine the books, papers, records, and
10 equipment of any person selling property and any person liable for
11 the use tax and may investigate the character of the business of the
12 person in order to verify the accuracy of any return made or, if no
13 return is made by the person, to ascertain and determine the amount
14 required to be paid. In the examination of any person selling
15 property or of any person liable for the use tax, an inquiry shall be
16 made as to the accuracy of the reporting of city sales and use taxes
17 for which the person is liable under the Local Option Revenue Act or
18 sections 13-319, 13-324, and 13-2813 and the accuracy of the
19 allocation made between the various counties, cities, villages, and
20 municipal counties of the tax due. The Tax Commissioner may make or
21 cause to be made copies of resale or exemption certificates and may
22 pay a reasonable amount to the person having custody of the records
23 for providing such copies.

24 (5) The taxpayer shall have the right to keep or store
25 his or her records at a point outside this state and shall make his

1 or her records available to the Tax Commissioner at all times.

2 (6) In administration of the use tax, the Tax
3 Commissioner may require the filing of reports by any person or class
4 of persons having in his, her, or their possession or custody
5 information relating to sales of property, the storage, use, or other
6 consumption of which is subject to the tax. The report shall be filed
7 when the Tax Commissioner requires and shall set forth the names and
8 addresses of purchasers of the property, the sales price of the
9 property, the date of sale, and such other information as the Tax
10 Commissioner may require.

11 (7) It shall be a Class I misdemeanor for the Tax
12 Commissioner or any official or employee of the Tax Commissioner, the
13 State Treasurer, or the Department of Administrative Services to make
14 known in any manner whatever the business affairs, operations, or
15 information obtained by an investigation of records and activities of
16 any retailer or any other person visited or examined in the discharge
17 of official duty or the amount or source of income, profits, losses,
18 expenditures, or any particular thereof, set forth or disclosed in
19 any return, or to permit any return or copy thereof, or any book
20 containing any abstract or particulars thereof to be seen or examined
21 by any person not connected with the Tax Commissioner. Nothing in
22 this section shall be construed to prohibit (a) the delivery to a
23 taxpayer, his or her duly authorized representative, or his or her
24 successors, receivers, trustees, executors, administrators,
25 assignees, or guarantors, if directly interested, of a certified copy

1 of any return or report in connection with his or her tax, (b) the
2 publication of statistics so classified as to prevent the
3 identification of particular reports or returns and the items
4 thereof, (c) the inspection by the Attorney General, other legal
5 representative of the state, or county attorney of the reports or
6 returns of any taxpayer when either (i) information on the reports or
7 returns is considered by the Attorney General to be relevant to any
8 action or proceeding instituted by the taxpayer or against whom an
9 action or proceeding is being considered or has been commenced by any
10 state agency or the county or (ii) the taxpayer has instituted an
11 action to review the tax based thereon or an action or proceeding
12 against the taxpayer for collection of tax or failure to comply with
13 the Nebraska Revenue Act of 1967 is being considered or has been
14 commenced, (d) the furnishing of any information to the United States
15 Government or to states allowing similar privileges to the Tax
16 Commissioner, (e) the disclosure of information and records to a
17 collection agency contracting with the Tax Commissioner pursuant to
18 sections 77-377.01 to 77-377.04, (f) the disclosure to another party
19 to a transaction of information and records concerning the
20 transaction between the taxpayer and the other party, (g) the
21 disclosure of information pursuant to section 77-27,195 or 77-5731,
22 or (h) the disclosure of information to the Department of Labor
23 necessary for the administration of the Employment Security Law, the
24 Contractor Registration Act, or the Employee Classification Act.

25 (8) Notwithstanding the provisions of subsection (7) of

1 this section, the Tax Commissioner may permit the Postal Inspector of
2 the United States Postal Service or his or her delegates to inspect
3 the reports or returns of any person filed pursuant to the Nebraska
4 Revenue Act of 1967 when information on the reports or returns is
5 relevant to any action or proceeding instituted or being considered
6 by the United States Postal Service against such person for the
7 fraudulent use of the mails to carry and deliver false and fraudulent
8 tax returns to the Tax Commissioner with the intent to defraud the
9 State of Nebraska or to evade the payment of Nebraska state taxes.

10 (9) Notwithstanding the provisions of subsection (7) of
11 this section, the Tax Commissioner may permit other tax officials of
12 this state to inspect the tax returns, reports, and applications
13 filed under sections 77-2701.04 to 77-2713, but such inspection shall
14 be permitted only for purposes of enforcing a tax law and only to the
15 extent and under the conditions prescribed by the rules and
16 regulations of the Tax Commissioner.

17 (10) Notwithstanding the provisions of subsection (7) of
18 this section, the Tax Commissioner may, upon request, provide the
19 county board of any county which has exercised the authority granted
20 by section 81-3716 with a list of the names and addresses of the
21 hotels located within the county for which lodging sales tax returns
22 have been filed or for which lodging sales taxes have been remitted
23 for the county's County Visitors Promotion Fund under the Nebraska
24 Visitors Development Act.

25 The information provided by the Tax Commissioner shall

1 indicate only the names and addresses of the hotels located within
2 the requesting county for which lodging sales tax returns have been
3 filed for a specified period and the fact that lodging sales taxes
4 remitted by or on behalf of the hotel have constituted a portion of
5 the total sum remitted by the state to the county for a specified
6 period under the provisions of the Nebraska Visitors Development Act.
7 No additional information shall be revealed.

8 (11)(a) Notwithstanding the provisions of subsection (7)
9 of this section, the Tax Commissioner shall, upon written request by
10 the Auditor of Public Accounts or the Legislative Performance Audit
11 Committee, make tax returns and tax return information open to
12 inspection by or disclosure to the Auditor of Public Accounts or
13 ~~Legislative Performance Audit Section~~ employees of the office of
14 Legislative Audit for the purpose of and to the extent necessary in
15 making an audit of the Department of Revenue pursuant to section
16 50-1205 or 84-304. Confidential tax returns and tax return
17 information shall be audited only upon the premises of the Department
18 of Revenue. All audit workpapers pertaining to the audit of the
19 Department of Revenue shall be stored in a secure place in the
20 Department of Revenue.

21 (b) No employee of the Auditor of Public Accounts or
22 ~~Legislative Performance Audit Section~~ the office of Legislative Audit
23 shall disclose to any person, other than another Auditor of Public
24 Accounts or ~~Legislative Performance Audit Section~~ office employee
25 whose official duties require such disclosure or as provided in

1 subsections (2) and (3) of section 50-1213, any return or return
2 information described in the Nebraska Revenue Act of 1967 in a form
3 which can be associated with or otherwise identify, directly or
4 indirectly, a particular taxpayer.

5 (c) Any person who violates the provisions of this
6 subsection shall be guilty of a Class I misdemeanor. For purposes of
7 this subsection, employee includes a former Auditor of Public
8 Accounts or ~~Legislative Performance Audit Section~~ office of
9 Legislative Audit employee.

10 (12) For purposes of this subsection and subsections (11)
11 and (14) of this section:

12 (a) Disclosure means the making known to any person in
13 any manner a tax return or return information;

14 (b) Return information means:

15 (i) A taxpayer's identification number and (A) the
16 nature, source, or amount of his or her income, payments, receipts,
17 deductions, exemptions, credits, assets, liabilities, net worth, tax
18 liability, tax withheld, deficiencies, overassessments, or tax
19 payments, whether the taxpayer's return was, is being, or will be
20 examined or subject to other investigation or processing or (B) any
21 other data received by, recorded by, prepared by, furnished to, or
22 collected by the Tax Commissioner with respect to a return or the
23 determination of the existence or possible existence of liability or
24 the amount of liability of any person for any tax, penalty, interest,
25 fine, forfeiture, or other imposition or offense; and

1 (ii) Any part of any written determination or any
2 background file document relating to such written determination; and

3 (c) Tax return or return means any tax or information
4 return or claim for refund required by, provided for, or permitted
5 under sections 77-2701 to 77-2713 which is filed with the Tax
6 Commissioner by, on behalf of, or with respect to any person and any
7 amendment or supplement thereto, including supporting schedules,
8 attachments, or lists which are supplemental to or part of the filed
9 return.

10 (13) Notwithstanding the provisions of subsection (7) of
11 this section, the Tax Commissioner shall, upon request, provide any
12 municipality which has adopted the local option sales tax under the
13 Local Option Revenue Act with a list of the names and addresses of
14 the retailers which have collected the local option sales tax for the
15 municipality. The request may be made annually and shall be submitted
16 to the Tax Commissioner on or before June 30 of each year. The
17 information provided by the Tax Commissioner shall indicate only the
18 names and addresses of the retailers. The Tax Commissioner may
19 provide additional information to a municipality so long as the
20 information does not include any data detailing the specific revenue,
21 expenses, or operations of any particular business.

22 (14)(a) Notwithstanding the provisions of subsection (7)
23 of this section, the Tax Commissioner shall, upon written request,
24 provide a municipal employee certified under subdivision (b) of this
25 subsection representing a municipality which has adopted the local

1 option sales tax under the Local Option Revenue Act with confidential
2 sales tax returns and sales tax return information regarding
3 taxpayers that possess a sales tax permit and the amounts remitted by
4 such permitholders at locations within the boundaries of the
5 requesting municipality. Any written request pursuant to this
6 subsection shall provide the Department of Revenue with no less than
7 ten business days to prepare the sales tax returns and sales tax
8 return information requested. Such returns and return information
9 shall be viewed only upon the premises of the department.

10 (b) Each municipality that seeks to request information
11 under subdivision (a) of this subsection shall certify to the
12 Department of Revenue one municipal employee who is authorized by
13 such municipality to make such request and review the documents
14 described in subdivision (a) of this subsection.

15 (c) No municipal employee certified by a municipality
16 pursuant to subdivision (b) of this subsection shall disclose to any
17 person any information obtained pursuant to a review by that
18 municipal employee pursuant to this subsection. A municipal employee
19 certified by a municipality pursuant to subdivision (b) of this
20 subsection shall remain subject to this subsection after he or she
21 (i) is no longer certified or (ii) is no longer in the employment of
22 the certifying municipality.

23 (d) Any person who violates the provisions of this
24 subsection shall be guilty of a Class I misdemeanor.

25 (e) The Department of Revenue shall not be held liable by

1 any person for an impermissible disclosure by a municipality or any
2 agent or employee thereof of any information obtained pursuant to a
3 review under this subsection.

4 (15) In all proceedings under the Nebraska Revenue Act of
5 1967, the Tax Commissioner may act for and on behalf of the people of
6 the State of Nebraska. The Tax Commissioner in his or her discretion
7 may waive all or part of any penalties provided by the provisions of
8 such act or interest on delinquent taxes specified in section
9 45-104.02, as such rate may from time to time be adjusted.

10 (16)(a) The purpose of this subsection is to set forth
11 the state's policy for the protection of the confidentiality rights
12 of all participants in the system operated pursuant to the
13 streamlined sales and use tax agreement and of the privacy interests
14 of consumers who deal with model 1 sellers.

15 (b) For purposes of this subsection:

16 (i) Anonymous data means information that does not
17 identify a person;

18 (ii) Confidential taxpayer information means all
19 information that is protected under a member state's laws,
20 regulations, and privileges; and

21 (iii) Personally identifiable information means
22 information that identifies a person.

23 (c) The state agrees that a fundamental precept for model
24 1 sellers is to preserve the privacy of consumers by protecting their
25 anonymity. With very limited exceptions, a certified service provider

1 shall perform its tax calculation, remittance, and reporting
2 functions without retaining the personally identifiable information
3 of consumers.

4 (d) The governing board of the member states in the
5 streamlined sales and use tax agreement may certify a certified
6 service provider only if that certified service provider certifies
7 that:

8 (i) Its system has been designed and tested to ensure
9 that the fundamental precept of anonymity is respected;

10 (ii) Personally identifiable information is only used and
11 retained to the extent necessary for the administration of model 1
12 with respect to exempt purchasers;

13 (iii) It provides consumers clear and conspicuous notice
14 of its information practices, including what information it collects,
15 how it collects the information, how it uses the information, how
16 long, if at all, it retains the information, and whether it discloses
17 the information to member states. Such notice shall be satisfied by a
18 written privacy policy statement accessible by the public on the web
19 site of the certified service provider;

20 (iv) Its collection, use, and retention of personally
21 identifiable information is limited to that required by the member
22 states to ensure the validity of exemptions from taxation that are
23 claimed by reason of a consumer's status or the intended use of the
24 goods or services purchased; and

25 (v) It provides adequate technical, physical, and

1 administrative safeguards so as to protect personally identifiable
2 information from unauthorized access and disclosure.

3 (e) The state shall provide public notification to
4 consumers, including exempt purchasers, of the state's practices
5 relating to the collection, use, and retention of personally
6 identifiable information.

7 (f) When any personally identifiable information that has
8 been collected and retained is no longer required for the purposes
9 set forth in subdivision (16)(d)(iv) of this section, such
10 information shall no longer be retained by the member states.

11 (g) When personally identifiable information regarding an
12 individual is retained by or on behalf of the state, it shall provide
13 reasonable access by such individual to his or her own information in
14 the state's possession and a right to correct any inaccurately
15 recorded information.

16 (h) If anyone other than a member state, or a person
17 authorized by that state's law or the agreement, seeks to discover
18 personally identifiable information, the state from whom the
19 information is sought should make a reasonable and timely effort to
20 notify the individual of such request.

21 (i) This privacy policy is subject to enforcement by the
22 Attorney General.

23 (j) All other laws and regulations regarding the
24 collection, use, and maintenance of confidential taxpayer information
25 remain fully applicable and binding. Without limitation, this

1 subsection does not enlarge or limit the state's authority to:

2 (i) Conduct audits or other reviews as provided under the
3 agreement and state law;

4 (ii) Provide records pursuant to the federal Freedom of
5 Information Act, disclosure laws with governmental agencies, or other
6 regulations;

7 (iii) Prevent, consistent with state law, disclosure of
8 confidential taxpayer information;

9 (iv) Prevent, consistent with federal law, disclosure or
10 misuse of federal return information obtained under a disclosure
11 agreement with the Internal Revenue Service; and

12 (v) Collect, disclose, disseminate, or otherwise use
13 anonymous data for governmental purposes.

14 Sec. 13. Section 77-27,119, Revised Statutes Cumulative
15 Supplement, 2012, is amended to read:

16 77-27,119 (1) The Tax Commissioner shall administer and
17 enforce the income tax imposed by sections 77-2714 to 77-27,135, and
18 he or she is authorized to conduct hearings, to adopt and promulgate
19 such rules and regulations, and to require such facts and information
20 to be reported as he or she may deem necessary to enforce the income
21 tax provisions of such sections, except that such rules, regulations,
22 and reports shall not be inconsistent with the laws of this state or
23 the laws of the United States. The Tax Commissioner may for
24 enforcement and administrative purposes divide the state into a
25 reasonable number of districts in which branch offices may be

1 maintained.

2 (2)(a) The Tax Commissioner may prescribe the form and
3 contents of any return or other document required to be filed under
4 the income tax provisions. Such return or other document shall be
5 compatible as to form and content with the return or document
6 required by the laws of the United States. The form shall have a
7 place where the taxpayer shall designate the high school district in
8 which he or she lives and the county in which the high school
9 district is headquartered. The Tax Commissioner shall adopt and
10 promulgate such rules and regulations as may be necessary to insure
11 compliance with this requirement.

12 (b) The State Department of Education, with the
13 assistance and cooperation of the Department of Revenue, shall
14 develop a uniform system for numbering all school districts in the
15 state. Such system shall be consistent with the data processing needs
16 of the Department of Revenue and shall be used for the school
17 district identification required by subdivision (a) of this
18 subsection.

19 (c) The proper filing of an income tax return shall
20 consist of the submission of such form as prescribed by the Tax
21 Commissioner or an exact facsimile thereof with sufficient
22 information provided by the taxpayer on the face of the form from
23 which to compute the actual tax liability. Each taxpayer shall
24 include such taxpayer's correct social security number or state
25 identification number and the school district identification number

1 of the school district in which the taxpayer resides on the face of
2 the form. A filing is deemed to occur when the required information
3 is provided.

4 (3) The Tax Commissioner, for the purpose of ascertaining
5 the correctness of any return or other document required to be filed
6 under the income tax provisions, for the purpose of determining
7 corporate income, individual income, and withholding tax due, or for
8 the purpose of making an estimate of taxable income of any person,
9 shall have the power to examine or to cause to have examined, by any
10 agent or representative designated by him or her for that purpose,
11 any books, papers, records, or memoranda bearing upon such matters
12 and may by summons require the attendance of the person responsible
13 for rendering such return or other document or remitting any tax, or
14 any officer or employee of such person, or the attendance of any
15 other person having knowledge in the premises, and may take testimony
16 and require proof material for his or her information, with power to
17 administer oaths or affirmations to such person or persons.

18 (4) The time and place of examination pursuant to this
19 section shall be such time and place as may be fixed by the Tax
20 Commissioner and as are reasonable under the circumstances. In the
21 case of a summons, the date fixed for appearance before the Tax
22 Commissioner shall not be less than twenty days from the time of
23 service of the summons.

24 (5) No taxpayer shall be subjected to unreasonable or
25 unnecessary examinations or investigations.

1 (6) Except in accordance with proper judicial order or as
2 otherwise provided by law, it shall be unlawful for the Tax
3 Commissioner, any officer or employee of the Tax Commissioner, any
4 person engaged or retained by the Tax Commissioner on an independent
5 contract basis, any person who pursuant to this section is permitted
6 to inspect any report or return or to whom a copy, an abstract, or a
7 portion of any report or return is furnished, any employee of the
8 State Treasurer or the Department of Administrative Services, or any
9 other person to divulge, make known, or use in any manner the amount
10 of income or any particulars set forth or disclosed in any report or
11 return required except for the purpose of enforcing sections 77-2714
12 to 77-27,135. The officers charged with the custody of such reports
13 and returns shall not be required to produce any of them or evidence
14 of anything contained in them in any action or proceeding in any
15 court, except on behalf of the Tax Commissioner in an action or
16 proceeding under the provisions of the tax law to which he or she is
17 a party or on behalf of any party to any action or proceeding under
18 such sections when the reports or facts shown thereby are directly
19 involved in such action or proceeding, in either of which events the
20 court may require the production of, and may admit in evidence, so
21 much of such reports or of the facts shown thereby as are pertinent
22 to the action or proceeding and no more. Nothing in this section
23 shall be construed (a) to prohibit the delivery to a taxpayer, his or
24 her duly authorized representative, or his or her successors,
25 receivers, trustees, personal representatives, administrators,

1 assignees, or guarantors, if directly interested, of a certified copy
2 of any return or report in connection with his or her tax, (b) to
3 prohibit the publication of statistics so classified as to prevent
4 the identification of particular reports or returns and the items
5 thereof, (c) to prohibit the inspection by the Attorney General,
6 other legal representatives of the state, or a county attorney of the
7 report or return of any taxpayer who brings an action to review the
8 tax based thereon, against whom an action or proceeding for
9 collection of tax has been instituted, or against whom an action,
10 proceeding, or prosecution for failure to comply with the Nebraska
11 Revenue Act of 1967 is being considered or has been commenced, (d) to
12 prohibit furnishing to the Nebraska Workers' Compensation Court the
13 names, addresses, and identification numbers of employers, and such
14 information shall be furnished on request of the court, (e) to
15 prohibit the disclosure of information and records to a collection
16 agency contracting with the Tax Commissioner pursuant to sections
17 77-377.01 to 77-377.04, (f) to prohibit the disclosure of information
18 pursuant to section 77-27,195, 77-4110, or 77-5731, (g) to prohibit
19 the disclosure to the Public Employees Retirement Board of the
20 addresses of individuals who are members of the retirement systems
21 administered by the board, and such information shall be furnished to
22 the board solely for purposes of its administration of the retirement
23 systems upon written request, which request shall include the name
24 and social security number of each individual for whom an address is
25 requested, (h) to prohibit the disclosure of information to the

1 Department of Labor necessary for the administration of the
2 Employment Security Law, the Contractor Registration Act, or the
3 Employee Classification Act, (i) to prohibit the disclosure to the
4 Department of Motor Vehicles of tax return information pertaining to
5 individuals, corporations, and businesses determined by the
6 Department of Motor Vehicles to be delinquent in the payment of
7 amounts due under agreements pursuant to the International Fuel Tax
8 Agreement Act, and such disclosure shall be strictly limited to
9 information necessary for the administration of the act, or (j) to
10 prohibit the disclosure under section 42-358.08, 43-512.06, or
11 43-3327 to any court-appointed individuals, the county attorney, any
12 authorized attorney, or the Department of Health and Human Services
13 of an absent parent's address, social security number, amount of
14 income, health insurance information, and employer's name and address
15 for the exclusive purpose of establishing and collecting child,
16 spousal, or medical support. Information so obtained shall be used
17 for no other purpose. Any person who violates this subsection shall
18 be guilty of a felony and shall upon conviction thereof be fined not
19 less than one hundred dollars nor more than five hundred dollars, or
20 be imprisoned not more than five years, or be both so fined and
21 imprisoned, in the discretion of the court and shall be assessed the
22 costs of prosecution. If the offender is an officer or employee of
23 the state, he or she shall be dismissed from office and be ineligible
24 to hold any public office in this state for a period of two years
25 thereafter.

1 (7) Reports and returns required to be filed under income
2 tax provisions of sections 77-2714 to 77-27,135 shall be preserved
3 until the Tax Commissioner orders them to be destroyed.

4 (8) Notwithstanding the provisions of subsection (6) of
5 this section, the Tax Commissioner may permit the Secretary of the
6 Treasury of the United States or his or her delegates or the proper
7 officer of any state imposing an income tax, or the authorized
8 representative of either such officer, to inspect the income tax
9 returns of any taxpayer or may furnish to such officer or his or her
10 authorized representative an abstract of the return of income of any
11 taxpayer or supply him or her with information concerning an item of
12 income contained in any return or disclosed by the report of any
13 investigation of the income or return of income of any taxpayer, but
14 such permission shall be granted only if the statutes of the United
15 States or of such other state, as the case may be, grant
16 substantially similar privileges to the Tax Commissioner of this
17 state as the officer charged with the administration of the income
18 tax imposed by sections 77-2714 to 77-27,135.

19 (9) Notwithstanding the provisions of subsection (6) of
20 this section, the Tax Commissioner may permit the Postal Inspector of
21 the United States Postal Service or his or her delegates to inspect
22 the reports or returns of any person filed pursuant to the Nebraska
23 Revenue Act of 1967 when information on the reports or returns is
24 relevant to any action or proceeding instituted or being considered
25 by the United States Postal Service against such person for the

1 fraudulent use of the mails to carry and deliver false and fraudulent
2 tax returns to the Tax Commissioner with the intent to defraud the
3 State of Nebraska or to evade the payment of Nebraska state taxes.

4 (10)(a) Notwithstanding the provisions of subsection (6)
5 of this section, the Tax Commissioner shall, upon written request by
6 the Auditor of Public Accounts or the Legislative Performance Audit
7 Committee, make tax returns and tax return information open to
8 inspection by or disclosure to officers and employees of the Auditor
9 of Public Accounts or ~~Legislative Performance Audit Section~~ employees
10 of the office of Legislative Audit for the purpose of and to the
11 extent necessary in making an audit of the Department of Revenue
12 pursuant to section 50-1205 or 84-304. The Auditor of Public Accounts
13 or ~~Legislative Performance Audit Section~~ office of Legislative Audit
14 shall statistically and randomly select the tax returns and tax
15 return information to be audited based upon a computer tape provided
16 by the Department of Revenue which contains only total population
17 documents without specific identification of taxpayers. The Tax
18 Commissioner shall have the authority to approve the statistical
19 sampling method used by the Auditor of Public Accounts or ~~Legislative~~
20 ~~Performance Audit Section.~~ office of Legislative Audit. Confidential
21 tax returns and tax return information shall be audited only upon the
22 premises of the Department of Revenue. All audit workpapers
23 pertaining to the audit of the Department of Revenue shall be stored
24 in a secure place in the Department of Revenue.

25 (b) No officer or employee of the Auditor of Public

1 ~~Accounts or Legislative Performance Audit Section~~ office of
2 Legislative Audit employee shall disclose to any person, other than
3 another officer or employee of the Auditor of Public Accounts or
4 ~~Legislative Performance Audit Section~~ employee office of Legislative
5 Audit whose official duties require such disclosure or as provided in
6 subsections (2) and (3) of section 50-1213, any return or return
7 information described in the Nebraska Revenue Act of 1967 in a form
8 which can be associated with or otherwise identify, directly or
9 indirectly, a particular taxpayer.

10 (c) Any person who violates the provisions of this
11 subsection shall be guilty of a Class IV felony and, in the
12 discretion of the court, may be assessed the costs of prosecution.
13 The guilty officer or employee shall be dismissed from employment and
14 be ineligible to hold any position of employment with the State of
15 Nebraska for a period of two years thereafter. For purposes of this
16 subsection, officer or employee shall include a former officer or
17 employee of the Auditor of Public Accounts or former ~~Legislative~~
18 ~~Performance Audit Section~~ employee of the office of Legislative
19 Audit.

20 (11) For purposes of subsections (10) through (13) of
21 this section:

22 (a) Tax returns shall mean any tax or information return
23 or claim for refund required by, provided for, or permitted under
24 sections 77-2714 to 77-27,135 which is filed with the Tax
25 Commissioner by, on behalf of, or with respect to any person and any

1 amendment or supplement thereto, including supporting schedules,
2 attachments, or lists which are supplemental to or part of the filed
3 return;

4 (b) Return information shall mean:

5 (i) A taxpayer's identification number and (A) the
6 nature, source, or amount of his or her income, payments, receipts,
7 deductions, exemptions, credits, assets, liabilities, net worth, tax
8 liability, tax withheld, deficiencies, overassessments, or tax
9 payments, whether the taxpayer's return was, is being, or will be
10 examined or subject to other investigation or processing or (B) any
11 other data received by, recorded by, prepared by, furnished to, or
12 collected by the Tax Commissioner with respect to a return or the
13 determination of the existence or possible existence of liability or
14 the amount of liability of any person for any tax, penalty, interest,
15 fine, forfeiture, or other imposition or offense; and

16 (ii) Any part of any written determination or any
17 background file document relating to such written determination; and

18 (c) Disclosures shall mean the making known to any person
19 in any manner a return or return information.

20 (12) The Auditor of Public Accounts or the Legislative
21 Auditor ~~of the Legislative Performance Audit Section~~ shall (a) notify
22 the Tax Commissioner in writing thirty days prior to the beginning of
23 an audit of his or her intent to conduct an audit, (b) provide an
24 audit plan, and (c) provide a list of the tax returns and tax return
25 information identified for inspection during the audit.

1 (13) The Auditor of Public Accounts or the ~~Legislative~~
2 ~~Performance Audit Section~~ office of Legislative Audit shall, as a
3 condition for receiving tax returns and tax return information: (a)
4 Subject employees involved in the audit to the same confidential
5 information safeguards and disclosure procedures as required of
6 Department of Revenue employees; (b) establish and maintain a
7 permanent system of standardized records with respect to any request
8 for tax returns or tax return information, the reason for such
9 request, and the date of such request and any disclosure of the tax
10 return or tax return information; (c) establish and maintain a secure
11 area or place in the Department of Revenue in which the tax returns,
12 tax return information, or audit workpapers shall be stored; (d)
13 restrict access to the tax returns or tax return information only to
14 persons whose duties or responsibilities require access; (e) provide
15 such other safeguards as the Tax Commissioner determines to be
16 necessary or appropriate to protect the confidentiality of the tax
17 returns or tax return information; (f) provide a report to the Tax
18 Commissioner which describes the procedures established and utilized
19 by the Auditor of Public Accounts or ~~Legislative Performance Audit~~
20 ~~Section~~ office of Legislative Audit for insuring the confidentiality
21 of tax returns, tax return information, and audit workpapers; and (g)
22 upon completion of use of such returns or tax return information,
23 return to the Tax Commissioner such returns or tax return
24 information, along with any copies.

25 (14) The Tax Commissioner may permit other tax officials

1 of this state to inspect the tax returns and reports filed under
2 sections 77-2714 to 77-27,135, but such inspection shall be permitted
3 only for purposes of enforcing a tax law and only to the extent and
4 under the conditions prescribed by the rules and regulations of the
5 Tax Commissioner.

6 (15) The Tax Commissioner shall compile the school
7 district information required by subsection (2) of this section.
8 Insofar as it is possible, such compilation shall include, but not be
9 limited to, the total adjusted gross income of each school district
10 in the state. The Tax Commissioner shall adopt and promulgate such
11 rules and regulations as may be necessary to insure that such
12 compilation does not violate the confidentiality of any individual
13 income tax return nor conflict with any other provisions of state or
14 federal law.

15 Sec. 14. Original sections 50-1202, 50-1203, 50-1204,
16 50-1208, 50-1209, 50-1213, and 50-1214, Reissue Revised Statutes of
17 Nebraska, and sections 43-4302, 50-1205, 50-1210, 50-1211, 77-2711,
18 and 77-27,119, Revised Statutes Cumulative Supplement, 2012, are
19 repealed.