

AMENDMENTS TO LB829

Introduced by Government, Military and Veterans Affairs.

1           1. Strike the original sections and insert the following new  
2 sections:

3           **Section 1.** Section 84-304, Revised Statutes Supplement, 2025, is  
4 amended to read:

5           84-304 It shall be the duty of the Auditor of Public Accounts:

6           (1) To give information electronically to the Legislature, whenever  
7 required, upon any subject relating to the fiscal affairs of the state or  
8 with regard to any duty of his or her office;

9           (2) To furnish offices for himself or herself and all fuel, lights,  
10 books, blanks, forms, paper, and stationery required for the proper  
11 discharge of the duties of his or her office;

12           (3)(a) To examine or cause to be examined, at such time as he or she  
13 shall determine, books, accounts, vouchers, records, and expenditures of  
14 all state officers, state bureaus, state boards, state commissioners, the  
15 state library, societies and associations supported by the state, state  
16 institutions, state colleges, and the University of Nebraska, except when  
17 required to be performed by other officers or persons. Such examinations  
18 shall be done in accordance with generally accepted government auditing  
19 standards for financial audits and attestation engagements set forth in  
20 Government Auditing Standards (~~2011 Revision for audit periods ending~~  
21 ~~before June 30, 2020, or (2024 2018 Revision) for audit periods ending on~~  
22 ~~or after June 30, 2020~~), published by the Comptroller General of the  
23 United States, Government Accountability Office, and except as provided  
24 in subdivision (11) of this section, subdivision (16) of section 50-1205,  
25 and section 84-322, shall not include performance audits, whether  
26 conducted pursuant to attestation engagements or performance audit  
27 standards as set forth in Government Auditing Standards (2024 ~~2018~~

1 Revision), published by the Comptroller General of the United States,  
2 Government Accountability Office.

3 (b) Any entity, excluding the state colleges and the University of  
4 Nebraska, that is audited or examined pursuant to subdivision (3)(a) of  
5 this section and that is the subject of a comment and recommendation in a  
6 management letter or report issued by the Auditor of Public Accounts  
7 shall, on or before six months after the issuance of such letter or  
8 report, provide to the Auditor of Public Accounts a detailed written  
9 description of any corrective action taken or to be taken in response to  
10 the comment and recommendation. The Auditor of Public Accounts may  
11 investigate and evaluate the corrective action. The Auditor of Public  
12 Accounts shall then electronically submit a report of any findings of  
13 such investigation and evaluation to the Governor, the appropriate  
14 standing committee of the Legislature, and the Appropriations Committee  
15 of the Legislature. The Auditor of Public Accounts shall also ensure that  
16 the report is delivered to the Appropriations Committee for entry into  
17 the record during the committee's budget hearing process;

18 (4)(a) To examine or cause to be examined, at the expense of the  
19 political subdivision, when the Auditor of Public Accounts determines  
20 such examination necessary or when requested by the political  
21 subdivision, the books, accounts, vouchers, records, and expenditures of  
22 any agricultural association formed under Chapter 2, article 20, any  
23 county agricultural society, any joint airport authority formed under the  
24 Joint Airport Authorities Act, any city or county airport authority, any  
25 bridge commission created pursuant to section 39-868, any cemetery  
26 district, any community redevelopment authority or limited community  
27 redevelopment authority established under the Community Development Law,  
28 any development district, any drainage district, any local public health  
29 department as defined in section 71-1626, any historical society, any  
30 hospital authority or district, any county hospital, any housing agency  
31 as defined in section 71-1575, any irrigation district, any county or

1 municipal library, any community mental health center, any railroad  
2 transportation safety district, any rural water district, any township,  
3 Wyuka Cemetery, the Educational Service Unit Coordinating Council, any  
4 entity created pursuant to the Interlocal Cooperation Act, any  
5 educational service unit, any village, any service contractor or  
6 subrecipient of state or federal funds, any political subdivision with  
7 the authority to levy a property tax or a toll, or any entity created  
8 pursuant to the Joint Public Agency Act.

9 For purposes of this subdivision, service contractor or subrecipient  
10 means any nonprofit entity that expends state or federal funds to carry  
11 out a state or federal program or function, but it does not include an  
12 individual who is a direct beneficiary of such a program or function or a  
13 licensed health care provider or facility receiving direct payment for  
14 medical services provided for a specific individual.

15 (b) The Auditor of Public Accounts may waive the audit requirement  
16 of subdivision (4)(a) of this section upon the submission by the  
17 political subdivision of a written request in a form prescribed by the  
18 auditor. The auditor shall notify the political subdivision in writing of  
19 the approval or denial of the request for a waiver.

20 (c) Through December 31, 2017, the Auditor of Public Accounts may  
21 conduct audits under this subdivision for purposes of sections 2-3228,  
22 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 16-1017, 16-1037, 19-3501,  
23 23-1118, 23-3526, 71-1631.02, and 79-987.

24 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may  
25 conduct audits under this subdivision for purposes of sections 13-2402,  
26 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 18-814,  
27 71-1631.02, and 79-987 and shall prescribe the form for the annual  
28 reports required in each of such sections. Such annual reports shall be  
29 published annually on the website of the Auditor of Public Accounts;

30 (5) To report promptly to the Governor and the appropriate standing  
31 committee of the Legislature the fiscal condition shown by such

1 examinations conducted by the auditor, including any irregularities or  
2 misconduct of officers or employees, any misappropriation or misuse of  
3 public funds or property, and any improper system or method of  
4 bookkeeping or condition of accounts. The report submitted to the  
5 committee shall be submitted electronically. In addition, if, in the  
6 normal course of conducting an audit in accordance with subdivision (3)  
7 of this section, the auditor discovers any potential problems related to  
8 the effectiveness, efficiency, or performance of state programs, he or  
9 she shall immediately report them electronically to the Legislative  
10 Oversight Committee which may investigate the issue further, report it  
11 electronically to the appropriate standing committee of the Legislature,  
12 or both;

13 (6)(a) To examine or cause to be examined the books, accounts,  
14 vouchers, records, and expenditures of a fire protection district. The  
15 expense of the examination shall be paid by the political subdivision.

16 (b) Whenever the expenditures of a fire protection district are one  
17 hundred fifty thousand dollars or less per fiscal year, the fire  
18 protection district shall be audited no more than once every five years  
19 except as directed by the board of directors of the fire protection  
20 district or unless the auditor receives a verifiable report from a third  
21 party indicating any irregularities or misconduct of officers or  
22 employees of the fire protection district, any misappropriation or misuse  
23 of public funds or property, or any improper system or method of  
24 bookkeeping or condition of accounts of the fire protection district. In  
25 the absence of such a report, the auditor may waive the five-year audit  
26 requirement upon the submission of a written request by the fire  
27 protection district in a form prescribed by the auditor. The auditor  
28 shall notify the fire protection district in writing of the approval or  
29 denial of a request for waiver of the five-year audit requirement. Upon  
30 approval of the request for waiver of the five-year audit requirement, a  
31 new five-year audit period shall begin.

1 (c) Whenever the expenditures of a fire protection district exceed  
2 one hundred fifty thousand dollars in a fiscal year, the auditor may  
3 waive the audit requirement upon the submission of a written request by  
4 the fire protection district in a form prescribed by the auditor. The  
5 auditor shall notify the fire protection district in writing of the  
6 approval or denial of a request for waiver. Upon approval of the request  
7 for waiver, a new five-year audit period shall begin for the fire  
8 protection district if its expenditures are one hundred fifty thousand  
9 dollars or less per fiscal year in subsequent years;

10 (7) To appoint two or more assistant deputies (a) whose entire time  
11 shall be devoted to the service of the state as directed by the auditor,  
12 (b) who shall be certified public accountants with at least five years'  
13 experience, (c) who shall be selected without regard to party affiliation  
14 or to place of residence at the time of appointment, (d) who shall  
15 promptly report to the auditor the fiscal condition shown by each  
16 examination, including any irregularities or misconduct of officers or  
17 employees, any misappropriation or misuse of public funds or property,  
18 and any improper system or method of bookkeeping or condition of  
19 accounts, and it shall be the duty of the auditor to file promptly with  
20 the Governor a duplicate of such report, and (e) who shall qualify by  
21 taking an oath which shall be filed in the office of the Secretary of  
22 State;

23 (8) To conduct audits and related activities for state agencies,  
24 political subdivisions of this state, or grantees of federal funds  
25 disbursed by a receiving agency on a contractual or other basis for  
26 reimbursement to assure proper accounting by all such agencies, political  
27 subdivisions, and grantees for funds appropriated by the Legislature and  
28 federal funds disbursed by any receiving agency. The auditor may contract  
29 with any political subdivision to perform the audit of such political  
30 subdivision required by or provided for in section 23-1608 or 79-1229 or  
31 this section and charge the political subdivision for conducting the

1 audit. The fees charged by the auditor for conducting audits on a  
2 contractual basis shall be in an amount sufficient to pay the cost of the  
3 audit. The fees remitted to the auditor for such audits and services  
4 shall be deposited in the Auditor of Public Accounts Cash Fund;

5 (9)(a) To examine or cause to be examined the books, accounts,  
6 vouchers, and records related to any money transferred pursuant to  
7 subsection (2) or (4) of section 79-3501, any fund receiving any such  
8 transfer, or any subsequent transfer or expenditure of such money when  
9 the Auditor of Public Accounts determines such examination necessary or  
10 when requested by (i) any department or agency receiving any such  
11 transfer or acting as the administrator for a fund receiving any such  
12 transfer, (ii) any recipient or subsequent recipient of money disbursed  
13 from any such fund, or (iii) any service contractor responsible for  
14 managing, on behalf of any entity, any portion of any such fund or any  
15 money disbursed from any such fund.

16 (b) Any examination pursuant to subdivision (9)(a) of this section  
17 shall be made at the expense of the department or agency, recipient or  
18 subsequent recipient, or service contractor whose books, accounts,  
19 vouchers, or records are being examined.

20 (c) For purposes of this subdivision, recipient, subsequent  
21 recipient, or service contractor means a nonprofit entity that expends  
22 funds transferred pursuant to subsection (2) or (4) of section 79-3501 to  
23 carry out a state program or function, but does not include an individual  
24 who is a direct beneficiary of such a program or function.

25 (d) The Auditor of Public Accounts shall prescribe the form for the  
26 annual reports required in subsection (6) of section 79-3501. Such annual  
27 reports shall be published on the website of the Auditor of Public  
28 Accounts;

29 (10) To develop and maintain an annual budget and actual financial  
30 information reporting system for political subdivisions that is  
31 accessible online by the public;

1 (11) When authorized, to conduct joint audits with the Legislative  
2 Oversight Committee as described in section 50-1205;

3 (12) Unless otherwise specifically provided, to assess the interest  
4 rate on delinquent payments of any fees for audits and services owing to  
5 the Auditor of Public Accounts at a rate of fourteen percent per annum  
6 from the date of billing unless paid within thirty days after the date of  
7 billing. For an entity created pursuant to the Interlocal Cooperation Act  
8 or the Joint Public Agency Act, any participating public agencies shall  
9 be jointly and severally liable for the fees and interest owed if such  
10 entity is defunct or unable to pay; and

11 (13) In consultation with statewide associations representing (a)  
12 counties and (b) cities and villages, to approve annual continuing  
13 education programs for county treasurers, city treasurers, and village  
14 treasurers as required by sections 14-553, 15-317, 16-318, 17-606, and  
15 23-1601. The cost of attending such programs shall be at the expense of  
16 the county, city, or village. The auditor shall maintain records of  
17 program attendance and notify each county board, city council, or village  
18 board of trustees if its treasurer has not completed such program  
19 attendance. The auditor shall inform the Attorney General and the county  
20 attorney of the county in which a treasurer is located if such treasurer  
21 has not completed a required annual continuing education program.

22 **Sec. 2.** Original section 84-304, Revised Statutes Supplement, 2025,  
23 is repealed.

24 **Sec. 3.** Since an emergency exists, this act takes effect when  
25 passed and approved according to law.