

May 9, 1991

LB 502, 651

PRESIDENT MOUL: Is there anyone who wishes to speak to the bill itself? Seeing none, do you have closing, Senator Conway?

SENATOR CONWAY: Thank you, Madam President and members, again, we discussed the bill. I haven't seen many people coming and going during that presentation so I don't think a closing is really necessary. Everybody here I think understands the bill, so I move its advancement, please.

PRESIDENT MOUL: Thank you, Senator Conway. We will now vote on the motion to advance LB 502. All those in favor please vote aye, opposed nay. Have you all voted? Please record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Madam President, on the advancement of 502.

PRESIDENT MOUL: LB 502 is advanced. LB 651.

CLERK: LB 651, Madam President, was introduced by Senator Moore. (Read title.) Introduced on January 23, referred to Appropriations, advanced to General File. I have no amendments to the bill.

PRESIDENT MOUL: Senator Moore.

SENATOR MOORE: Madam President and members, this bill simply broadens slightly the definition for encumbrance in our state statute. If you care to look at the bill, LB 651, probably the best way to explain the bill is that in 80, in Section 81-138 has definition for encumbrance. Basically encumbrance in layman's term is simply a check that is written before the end of the fiscal year but is not cleared until after. It's an obligation that is there and what happens is you look at a variety of things. There are four things presently in statute that include encumbrance, a purchase order which is issued, but the accompanying invoices are not received and paid during the same biennium. You order something, you had the money for it, but it does not come until after July 1. Secondly, goods and services are received but an invoice has not been received and paid so the bill is still coming due. Three, where the invoice is received but for whatever reason the payment could not be made during the biennium and, fourth, salaries, like many times maybe there is a bi...when you have a biweekly payroll and