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in 1995, some of you remember, the language was added to the auditing provision, providing that a fire protection district with expenditures of less than \$150,000 a year were to be audited no more than once every five years, except in certain circumstances spelled out in the statute. We originally introduced that bill to make sure that the guidelines were in place so the districts with the low expenditures were not continually being audited at a cost that would take up a large portion of their budget. Some of those budgets are very low. The law currently reads that the auditor may waive this five year audit requirement upon the submission of a written request by that particular fire protection district. This bill would clarify that, if a waiver is granted by the Auditor's Office, then a five year audit requirement would begin again; there was confusion over that language. This question was raised by the Auditor's Office as to the intent behind the language, in hopes of receiving some clarification. They were concerned that with whether the waiver would start a new five year period, or whether the waiver must be obtained every year after that five year period was up? Since it's now the year 2000, the five year time period will begin expiring for some of those districts and it is important that we clarify the intent behind this particular language for the districts and for the Auditor's Office. This bill clarifies that a new five year period begins when the waiver is granted. The second thing this bill does is essentially allow an occasional major purchase by these districts. Right now it is unclear what happens if a volunteer fire protection district with expenditures of less than \$150,000 a year make a one-time expenditure that pushes them above this limit. Usually, these are large expenditures made with the approval of the fire district board and possibly even and usually is discussed at a public meeting. Examples might be the purchase of, like I said, a new fire truck or a building to store equipment and so on and so forth. This bill addresses that situation by clearly stating that when the expenditures of a fire district exceed the \$150,000 limit then the district may request a waiver from that audit requirement. The auditor would then decide whether to grant the waiver. If the waiver is received under this provision then another five year auditing requirement would begin for that district, as long as the expenditures stayed under the \$150,000 mark in subsequent years. The changes proposed in this bill would provide needed