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FLOOR DEBATE

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LB 209, 806

district court. These claims are the result of about four-year clash between the Attorney General's Office and the Department of Motor Vehicles on representation of state in these cases in district court. After the Attorney General's Office ran out of funding for providing representation, the Attorney General at that time began ordering county attorneys to represent the state in ALRs in each of their counties. The county attorneys believe that this order went beyond their statutory required duties. And the Nebraska Supreme Court agreed. In the court case in this issue, the Supreme Court also held that county attorneys should be reimbursed by the state for service to the form...for county attorneys' fees. This is how all these claims have come about. The Business and Labor Committee has questions about some of these claims and some of the fees requested. And we did a great deal of discussion about this. We decided at that time to take each county attorney's claim out of the bill until we are satisfied with the information provided on the cases. The issue surrounding this decision was the questionability of county attorneys personally receiving compensation for representation that had been ordered by the Attorney General. The issue has sparked substantial discussion regarding the Department of Motor Vehicles' ALR process and its credibility. That issue has finally been addressed through this year's LB 209, as many of you recognize, a portion of which requires the Attorney General to administer representation in these ALR appeals. The bill, which is on Select File, would appropriately take ALR claims out of the state claims process. The Business and Labor Committee asked the county attorneys for documentation showing time spent on each case to back up their claims. All of the county attorneys were able to provide documentation except for one. There is an amendment that will be introduced that will reinstate approval of the claims for which we received the information that we asked for. Finally, the Department of Health and Human Services asked, in the original bill, permission to write off some debts deemed as uncollectible. As you know, there's been a great deal of confusion within the agency over these particular write-offs, because of the medical students loan program and the way it's been administered. According to HHS, program participants defaulted on more than \$300,000 worth of student loans. The agency now needs to clear its books of the uncollectible loans. However, through the