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FLOOR DEBATE

April 1, 2004      LB 1090

is no appropriation that's authorized and no special fund out of which to pay it, and then the DAS director makes payment from any appropriation made to the department relating to the cause of action that resulted in the judgment. If there is money available, they pay it. If the current appropriations will not permit payment without great public inconvenience, the DAS director certifies that payment is not forthcoming due to the absence of funds or appropriation authority. And that is where we may head is in that particular scenario. That certification by the DAS director stays the judgment until adjournment of the next regular session. Then we have this old statute that says that if a stay is claimed or taken, interest on a judgment runs from its date, whatever that means,--I don't know if that means date of certification or what, it's not clear--at 10 percent per annum. Now that statute was amended in 1979, but it...and it was amended at a time when interest rates were extraordinarily high, as high as they've been for a very, very long time. And that was actually a break on the interest at that time. That wasn't a penalty, Senator Brashear. We were not offering to pay somebody a great forbearance for waiting on their money.

SENATOR CUDABACK: One minute.

SPEAKER BROMM: We were paying them less than the going interest rate. So now we've got a regular judgement statute that is tied into the T bill rate that would result in interest at about 3 percent, and it's a floating interest rate. All other judgments are governed by that. Now whether we do the Brashear amendment or whether we don't, I'm going to offer that amendment on the next bill because it's the right thing to do. It is crazy to leave this statute in place. It has no...makes no common sense at all. It should be a rate that is commensurate with the market in the area, and I would submit to you that, despite the record Senator Brashear is making, we've got a very good argument that we have a right to change that statute any time we want to, any time we want to. And I think we should. We've got water claims that people talk about we could have out in western Nebraska some day. I don't want that 10 percent thing on the record. It should be a fair rate commensurate with what the market interest rate is.