

March 14, 1975

PRESIDENT: Any further discussion? The question is, the adoption of the Committee amendments to LB 112. Record your vote. Record, Mr. Clerk.

CLERK: 29 ayes, 0 nays, 20 not voting on the adoption of the Committee amendments, Mr. President.

PRESIDENT: The amendments are adopted. Senator Warner.

SENATOR WARNER: Mr. President, I move that LB 112, I think, Mr. Clerk, instead of 211, be advanced to E & R Initial. What this bill does is amends some additional statutes which were not covered by legislation which we enacted two years ago or a year ago. What is involved is the amount of money that is withheld on contract, construction contract and it deals primarily with towns and counties but there are old, old laws which required, some of them going back to 1870, which had required at least a minimum of 15% to be held and the reason those old laws were that way is that much of the construction work was done on estimates from the amount of dirt to be moved and these kinds of things and so there was a need for a withholding of a larger amount of money on a final payment until these specifics could be determined. In the advent of more accurate engineering, this is no longer necessary and, as a matter of practice, the state highway department and together with the other areas which we changed a year ago require only a 5% amount to be withheld. Now the principal reason for doing this is if you withhold a larger percentage, the only thing that occurs is that this becomes a...the interest cost to the contractor for the withholding of that large amount becomes built into the cost of the construction project and there was submitted at the hearing examples of, actual examples of the increased cost that could be identified to different construction contracts by virtue of the old law. In addition, there is two other things in the bill. There is, again, an old statute that requires a 15%, a certified check in the amount of 15% of the engineer's estimate on the cost of certain kinds of sewer construction to be sent in with the bids and this would be changed to 5% which is the normal thing of doing it now and what is required in other statutory...other statute sections relating to this type of activity and it was just these two sections that for some reason or other had been 15% for a great many years. With that, Mr. President, I move the bill be advanced.

PRESIDENT: Any further discussion? The question is, the advancement of LB 112 as amended to E & R Initial. Record your vote. Record, Mr. Clerk.

CLERK: 27 ayes, 0 nays, 22 not voting on motion to advance, Mr. President.

PRESIDENT: The bill is advanced. Senator Stull has some guests, his granddaughter. Senator Stull is under the south balcony with David Sauder. Welcome to the Legislature and keep grandpa on his toes. LB 211.

CLERK: LB 211 introduced by Senator Dickinson of the 31st District. Read title. Mr. President, the bill was referred to the Public Works Committee and was advanced to General File with amendments. Signed Senator Kremer, Chairman of