

April 17, 1979

LB 356

President.

SPEAKER MARVEL: The bill is declared passed with emergency clause attached. The next bill is LB 356. The Clerk will read on Final Reading.

CLERK: Mr. President, I have a motion on the desk. Senator Beutler moves to return LB 356 to Select File for a specific amendment. The amendment would read as follows: (Read Beutler amendment as found on Page 1490 of the Legislative Journal.)

SPEAKER MARVEL: The Chair recognizes Senator Beutler.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, I would like to raise a question on this bill that I have not been able to satisfactorily answer in my own mind and to return the bill for a specific amendment seems to be the only way to get the question answered. This bill, to refresh your memory, has to do with cities of the first class and cities of the second class, and villages, and it outlines and makes some changes, and makes some changes in the situations where the city council is required to approve of contracts and where the city engineer is required to make estimates of cost of contracts. Okay, the provision I'm concerned with... there are two provisions. The first one reads as follows: No contracts for services, material or labor, etc., except as provided in 18-412.01 and 19-2421 costing over \$5,000 shall be made unless it is first approved by the city council. One of the two sections that is excluded with the new material in this bill is Section 19-2421, and that section is generally the provision that empowers cities of the first class and villages, and cities of the second class as well to enter into lease purchase agreements. So as I'm reading this, a lease purchase agreement would be excepted from the requirement for approval by the city council, even though the lease purchase agreement may be way over \$5,000. These purchase agreements as you are aware can involve a very large amount of money. So unless there is some good reason for doing otherwise, it seems to me the lease purchase agreements should not be excluded and that is the reason I'm moving to strike 19-2421 in that paragraph. In a separate section of the bill, the same exception is made as pertains to cities of the second class in requiring an estimate of the cost being made by the city or village engineer. In other words, on lease purchase agreements no estimate is now to be required. Again, though, it seems to me that a