

LEGISLATIVE BILL 604

Approved by the Governor April 7, 1993

Introduced by Bromm, 23

AN ACT relating to employment security; to amend section 48-657, Reissue Revised Statutes of Nebraska, 1943; to provide for final payment on public works contracts conditioned upon satisfactory bond; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 48-657, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-657. (1) If any employer defaults in any payment of contributions or interest, ~~then~~ the commissioner may make in any manner feasible; and cause to be recorded as a secured transaction as provided in article 9, Uniform Commercial Code, and in the real estate mortgage records of any county in which such employer is engaged in business or owns real or personal property, a statement, under oath, showing the amount of contributions and interest in default, which statement, when filed for record, shall operate as a lien and mortgage on all of the real and personal property of the employer, subject only to the liens of prior record, and the property of such employer shall be subject to seizure and sale for the payment of such contributions and interest. Such lien on personal property may be enforced or dissolved in the manner provided by article 9, Uniform Commercial Code, and such liens on real estate may be enforced or dissolved in the manner provided by Chapter 25, article 21, in the enforcing and dissolving of real estate mortgages.

(2) It shall be the duty of the State of Nebraska, or any department or agency thereof, county boards, the contracting board of all cities, villages, and school districts, all public boards empowered by law to enter into a contract by public bidding for the erecting and finishing; or the repairing of any public building, bridge, highway, or other public structure or improvement, and any officer or officers so empowered by law to enter into such contract to provide in such contract that the person, persons, firm, or corporation to whom the contract is awarded will pay to the Unemployment Compensation Fund of the State of Nebraska unemployment contributions and interest due under the Employment Security Law on wages paid to individuals employed in the performance of such contract.

(3) No contract, referred to in subsection (2) of this section, shall be entered into by the State of Nebraska, department or agency thereof, officer or officers, or board referred to in subsection (2) of this section unless the contract contains the proviso mentioned in subsection (2) of this section.

(4) Before final payment may be made on the final three

percent of any such contract awarded on or after June 1, 1957, the State of Nebraska, department or agency thereof, officer or officers, or board awarding the contract must have received from the contractor a written clearance from the commissioner certifying that all payments then due of contributions or interest which may have arisen under such contract have been made by the contractor or his or her subcontractor to the Unemployment Compensation Fund.

(5) The final three percent of any such contract referred to in subsection (4) of this section may be paid if the contractor has supplied a bond with a satisfactory surety company guaranteeing full payment to the Unemployment Compensation Fund of all contributions and interest due under the Employment Security Law.

Sec. 2. That original section 48-657, Reissue Revised Statutes of Nebraska, 1943, is repealed.