

## LEGISLATIVE BILL 924

Approved by the Governor April 2, 1998

Introduced by Hillman, 48; Bohlke, 33; Brown, 6; Coordsen, 32; Kiel, 9; D. Pederson, 42; Raikes, 25; Wehrbein, 2; at the request of the Governor

AN ACT relating to state government; to amend sections 2-1570, 9-812, 9-836.01, 52-1302, 52-1307, 52-1312, 52-1313, 52-1318, 52-1602, 77-2702.03, 79-1310, 79-1327, 81-1108, 81-1116, 81-1116.02, 81-1117.02, 81-1120.38, 81-1167, 81-15,177, 81-2304, 81-2308, 81-2602, 81-2604, 81-2605, and 84-407, Reissue Revised Statutes of Nebraska, sections 33-101, 81-1102, 81-1107, 81-1117, 81-1120.17, 81-1195, and 81-1199, Revised Statutes Supplement, 1996, sections 60-308, 77-2701, 84-1205.01, 84-1205.02, 84-1205.03, and 84-1205.05, Revised Statutes Supplement, 1997, and sections 1-101, 9-306, 9-307, 9-411, 9-415, and 9-420, Uniform Commercial Code; to state intent; to create the Nebraska Information Technology Commission, the office of Chief Information Officer, a panel, a retraining program, and funds; to eliminate a fund; to provide and change powers and duties; to provide, change, and eliminate provisions relating to fees and distribution of fees; to rename a division of the Department of Administrative Services; to adopt the Nebraska Plane Coordinate System Act; to provide for the use of digital signatures; to harmonize provisions; to provide operative dates; to provide severability; to repeal the original sections; and to declare an emergency.

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

Section 1. Nebraskans, and others throughout the world, have become part of the information age, in which information is a primary element of economic, social, and cultural growth. Our ability to move information quickly and accurately through electronic means is critical to the success of education, business, agriculture, health care, government, libraries, communities, and other areas of interest in a global society.

A statewide vision and strategy is needed to ensure coordinated development of the telecommunications infrastructure necessary for Nebraska to keep pace worldwide and collaboration among entities within the state and with other states.

Sec. 2. (1) The Legislature finds that appropriations for information technology continue to increase. Advances in information technology have the potential to improve government efficiency, broaden educational opportunities, and enhance services to Nebraska communities and citizens. To assure the most cost-effective use of state appropriations:

(a) Responsibility should be assigned for developing a statewide vision and strategic plan to guide investments in information technology;

(b) Organizational and technical support for technology budget decisions should be improved and integrated;

(c) A clearinghouse should be formed for technical support and best practices information; and

(d) Responsibility should be assigned to an office within state government for improving the planning, budgeting, and management of state government's information resources.

(2) It is the intent of the State of Nebraska to support the development of a unified statewide telecommunications infrastructure. The statewide telecommunications infrastructure will be scalable, reliable, and efficient. It is further the intent of the Legislature that the provisions of sections 1 to 14 of this act serve to coordinate the state's investments in information technology in an efficient and expeditious manner. The provisions are not intended to impede the rapid deployment of appropriate technology or establish cumbersome regulations or bureaucracy.

Sec. 3. (1) The Legislature finds that the University of Nebraska, as the state's only public university, has unique needs and requirements in the area of information technology relating to the university's academic research mission. Accordingly, the Legislature intends that sections 1 to 14 of this act shall not limit the authority of the Board of Regents of the University of Nebraska to make decisions about policies, purchases, and uses of information technology related to its academic research mission. For purposes of this section, academic research mission means those specific activities or programs of the university which are undertaken as a part of

sponsored or grant-supported activities, organized research projects, or other similar activities intended to produce one or more research outcomes and conducted by employees of the university or other entities, including, but not limited to, research divisions, bureaus, institutes, and experimental stations. Academic research mission does not include the administrative activities of the university, instruction of students, or services provided by the university to communities when not conducted in the context of research outcomes.

(2) The Legislature finds that, as a separate branch of government, the Legislature must perform its functions independently of other branches. Accordingly, the Legislature shall not be limited by the provisions and requirements of sections 1 to 14 of this act. However the Legislature reserves the right to use the resources established by such sections.

Sec. 4. For purposes of sections 1 to 14 of this act:

(1) Commission means the Nebraska Information Technology Commission;

(2) Information technology means computing and telecommunications systems, their supporting infrastructure, and interconnectivity used to acquire, transport, process, analyze, store, and disseminate information electronically; and

(3) Technology information clearinghouse means a service to provide convenient access for the commission and general public to information about best technology practices, referrals for technical assistance, and other information related to the provisions of sections 1 to 14 of this act.

Sec. 5. (1) The Nebraska Information Technology Commission is created. The commission shall consist of nine members, including (a) one member representing elementary and secondary education, (b) one member representing postsecondary education, (c) the Governor or his or her designee, (d) one member representing communities, and (e) five members representing the general public who have experience in developing strategic plans and making high-level business decisions.

(2) The Governor or a designee of the Governor shall serve as chairperson of the commission.

(3) The members of the commission shall be appointed by the Governor with the approval of a majority of the Legislature. Members of the commission shall serve for terms of four years, except that two members initially appointed to represent the general public shall be appointed for a term of two years. Members shall be limited to two consecutive terms. The Governor or his or her designee shall serve on the commission for his or her term. Each member shall serve until the appointment and qualification of his or her successor. In case of a vacancy occurring prior to the expiration of the term of a member, the appointment shall be made only for the remainder of the term.

(4) Members shall be reimbursed for their actual and necessary expenses as provided in sections 81-1174 to 81-1177.

(5) The commission may employ or designate an executive director to provide administrative and operational support for the commission. The Department of Administrative Services and Nebraska Educational Telecommunications Commission shall assist with administrative and operational support for the Nebraska Information Technology Commission as necessary to carry out its duties.

Sec. 6. The commission shall:

(1) By July 1, 1993, and each July 1 thereafter, adopt policies and procedures used to develop, review, and annually update a statewide technology plan;

(2) Create a technology information clearinghouse to identify and share best practices and new developments, as well as identify existing problems and deficiencies;

(3) Review and adopt policies to provide incentives for investments in information technology infrastructure services;

(4) Determine a broad strategy and objectives for developing and sustaining information technology development in Nebraska, including long-range funding strategies, research and development investment, support and maintenance requirements, and system usage and assessment guidelines;

(5) By September 15, 1998, adopt guidelines regarding project planning and management, information sharing, and administrative and technical review procedures involving state-owned or state-supported technology and infrastructure. Governmental entities, state agencies, and political subdivisions shall submit projects which directly utilize state-appropriated funds for information technology purposes to the process established by sections 1 to 14 of this act. Governmental entities and political subdivisions may submit other projects involving information technology to the commission for comment, review, and recommendations;

(6) By September 15, 1998, adopt minimum technical standards,

guidelines, and architectures upon recommendation by the technical panel created in section 11 of this act;

(7) Establish ad hoc technical advisory groups to study and make recommendations on specific topics, including work groups to establish, coordinate, and prioritize needs for education, local communities, and state agencies;

(8) By November 15 of each even-numbered year, make recommendations on technology investments to the Governor and the Legislature, including a prioritized list of projects, reviewed by the technical panel, for which new or additional funding is requested;

(9) Approve grants from the Community Technology Fund and Government Technology Collaboration Fund; and

(10) By September 15, 1998, adopt schedules and procedures for reporting needs, priorities, and recommended projects.

Sec. 7. The commission shall implement the provisions of sections 1 to 14 of this act in accordance with the policy objectives described in sections 1, 2, and 6 of this act and with the following goals:

(1) Expanding access to lifelong educational and training opportunities so that Nebraska's citizens and work force can function in the emerging information society;

(2) Stimulating and supporting information-based economic development that improves economic opportunity; and

(3) Expanding citizen access to government information.

Sec. 8. By November 15 of each even-numbered year, the Nebraska Information Technology Commission shall submit a progress report to the Governor and Legislature.

Sec. 9. The office of Chief Information Officer is created. The Chief Information Officer shall be appointed by and serve at the pleasure of the Governor with the approval of a majority of the Legislature. For administrative purposes, the office of Chief Information Officer shall be located in the Department of Administrative Services.

Sec. 10. The Chief Information Officer shall:

(1) Maintain, in cooperation with the Department of Administrative Services, an inventory of noneducation state government technology assets, including hardware, applications, and data bases;

(2) Recommend policies and guidelines for acceptable and cost-effective use of information technology in noneducation state government;

(3) Advise the Governor and Legislature on policy issues affecting noneducation state government related to information technology;

(4) Coordinate efforts among other noneducation state government technology agencies and coordinating bodies;

(5) Implement a strategic, tactical, and project planning process for noneducation state government information technology that is linked to the budget process;

(6) Assist the budget division of the Department of Administrative Services and Legislative Fiscal Analyst in evaluating technology-related budget requests;

(7) Work with each governmental department and noneducation state agency to evaluate and act upon opportunities to more efficiently and effectively deliver government services through the use of informational technology;

(8) Recommend to the Governor and Legislature methods for improving the organization and management of data by noneducation agencies to achieve the goals of making information sharable and reusable, eliminating redundancy of data and programs, improving the quality and usefulness of data, and improving access to data, and implement such recommendations as the Governor or Legislature may direct;

(9) Monitor the status of major noneducation state government technology projects;

(10) Administer such funds as may be appropriated to the Chief Information Officer by the Legislature; and

(11) Complete other tasks as assigned by the Governor.

Sec. 11. (1) A technical panel is created. The technical panel shall be comprised of one representative from the Nebraska Educational Telecommunications Commission, one representative from the Department of Administrative Services, one representative from the University of Nebraska Computing Services Network, one representative from the project sector, and such other members as specified by the Nebraska Information Technology Commission.

(2) The technical panel shall review any technology project or request for additional funding recommended to the Nebraska Information Technology Commission including any recommendations by working groups

established under sections 1 to 14 of this act. Upon the conclusion of the review of a technology project or request for additional funding, the technical panel shall provide its analysis to the Nebraska Information Technology Commission. The technical panel may recommend technical standards and guidelines to be considered for adoption by the commission.

Sec. 12. The Community Technology Fund is created. The fund shall be granted to public entities or for the public entity's share of public-private partnerships by the commission. The fund shall be used to provide incentives for collaborative community and regional approaches toward more effective and efficient use of technology to meet the needs of citizens, political subdivisions, and other entities as determined by the commission. Expenditures from the fund shall be approved by the commission only after review by the technical panel created in section 11 of this act. The fund shall be administered by the Department of Administrative Services. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 13. The Government Technology Collaboration Fund is created. The fund shall be granted by the commission. The fund shall be used to provide incentives for collaborative technology projects and programs by state agencies, boards, and commissions and to assist in meeting the technology needs of small agencies as determined by the commission. Expenditures from the fund shall be approved by the commission only after review by the technical panel created in section 11 of this act. The fund shall be administered by the Department of Administrative Services. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 14. (1) The Appropriations Committee and the Transportation Committee of the Legislature shall jointly review the provisions of sections 1 to 13 of this act before January 1, 2001, and every two years thereafter. The Executive Board of the Legislative Council shall designate staff with appropriate technical experience to provide the staff support for the review. The committees shall establish criteria to be used for the review in accordance with the following policy objectives within sixty days after the operative date of this section. It shall be the policy of the state to:

(a) Use information technology in education, communities, including health care and economic development, and every level of government service to improve economic opportunities and quality of life for all Nebraskans regardless of location or income;

(b) Stimulate the demand to encourage and enable long-term infrastructure innovation and improvement; and

(c) Organize technology planning in new ways to aggregate demand, reduce costs, and create support networks; encourage collaboration between communities of interest; and encourage competition among technology and service providers.

(2) In the review, the committees shall determine the extent to which:

(a) The vision has been realized and short-term and long-term strategies have been articulated and employed;

(b) The statewide technology plan and other activities of the commission have improved coordination and assisted policymakers;

(c) A clearinghouse of information has been established, maintained, and utilized of Nebraska's information technology infrastructure and of activities taking place in the state involving information technology, and that the information flow between and among individuals and organizations has been facilitated as a result of the clearinghouse;

(d) Policies, standards, guidelines, and architectures have been developed and observed;

(e) Recommendations made by the commission to the Governor and Legislature have assisted policy and funding decisions;

(f) Input and involvement of all interested parties has been encouraged and facilitated; and

(g) Long-term infrastructure innovation, improvement, and coordination has been planned for, facilitated, and achieved with minimal barriers and impediments.

Sec. 15. Section 2-1570, Reissue Revised Statutes of Nebraska, is amended to read:

2-1570. To assist in the coordination and dissemination of the resources of the data bank, there is hereby established a technical advisory committee to the data bank. Such committee shall be appointed by the Governor, and shall consist of ten representatives of state and federal

agencies concerned with the collection, interpretation, and use of basic data. The committee shall report to, assist, and advise the Chief Information Officer in setting information technology policy and shall provide assistance as requested by the commission to support the technical panel created in section 11 of this act.

Sec. 16. Section 9-812, Reissue Revised Statutes of Nebraska, is amended to read:

9-812. (1) All money received from the operation of lottery games conducted pursuant to the State Lottery Act in Nebraska shall be deposited in the State Lottery Operation Trust Fund, which fund is hereby created. All payments of expenses of the operation of the lottery games shall be made from the State Lottery Operation Cash Fund. In accordance with legislative appropriations, money for payments for expenses of the division shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Operation Cash Fund, which fund is hereby created. All money necessary for the payment of lottery prizes shall be transferred from the State Lottery Operation Trust Fund to the State Lottery Prize Trust Fund, which fund is hereby created. The amount used for the payment of lottery prizes shall not be less than forty percent of the dollar amount of the lottery tickets which have been sold. At least twenty-five percent of the dollar amount of the lottery tickets which have been sold on an annualized basis shall be transferred from the State Lottery Operation Trust Fund to the Education Innovation Fund, ~~the Solid Waste Landfill Closure Assistance Fund~~, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund. Forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Education Innovation Fund. ~~Beginning on July 15, 1993, and continuing through July 1, 1997, twenty-four and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Solid Waste Landfill Closure Assistance Fund and twenty-five percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act.~~ After July 1, 1997, ~~forty-nine~~ Forty-nine and one-half percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act. One percent of the money remaining after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund to be used as provided in sections 83-162.01 to 83-162.04.

(2) The Education Innovation Fund is hereby created. Each fiscal year beginning with fiscal year 1994-95, at least seventy-five percent of the lottery proceeds allocated to the Education Innovation Fund shall be available for disbursement. The Education Innovation Fund shall be allocated by the Governor through incentive grants to encourage the development of strategic school improvement plans by school districts for accomplishing high performance learning and to encourage schools to establish innovations in programs or practices that result in restructuring of school organization, school management, and instructional programs which bring about improvement in the quality of education. Such grants are intended to provide selected school districts, teachers or groups of teachers, nonprofit educational organizations, educational service units, or cooperatives funding for the allowable costs of implementing pilot projects and model programs.

Minigrants shall be available to school districts to support the development of strategic school improvement plans which shall include statements of purposes and goals for the districts. The plans shall also include the specific statements of improvement or strategic initiatives designed to improve quality learning for every student.

In addition to the minigrants granted for the development of strategic school improvement plans, school districts with annual budget expenditures of three hundred fifty thousand dollars or less are eligible for minigrants for the purposes allowed in subdivisions (2)(a) through (q) of this section. The amount of this type of minigrant shall not exceed five thousand dollars. The school district shall present a curriculum support plan with its application for the grant. The curriculum support plan must show how the district is working to achieve one or more of the allowed purposes and how the grant will be used to directly advance the plan to achieve one or more of these purposes. The plan must be signed by the school administrator and a school board representative. The application for the grant shall be brief. The Excellence in Education Council shall select the recipients of this type of minigrant and shall administer such minigrants.

Major competitive grants shall be available to support innovative programs which are directly related to the strategic school improvement plans.

The development of a strategic school improvement plan by a school district shall be required before a grant is awarded. Annual reports shall be made by program recipients documenting the effectiveness of the program in improving the quality of education as designed in the strategic school improvement plans. Special consideration shall be given to plans which contain public or private matching funds and cooperative agreements, including agreements for in-kind services. Purposes for which incentives would be offered shall include:

(a) Professional staff development programs to provide funds for teacher and administrator training and continuing education to upgrade teaching and administrative skills;

(b) The development of strategic school improvement plans by school districts;

(c) Educational technology assistance to public schools for the purchase and operation of computers, telecommunications equipment and services, and other forms of technological innovation which may enhance classroom teaching, instructional management, and districtwide administration pursuant to the state's goal of ensuring that all kindergarten through grade twelve public school districts or affiliated school systems have a direct connection to a statewide public computer information network by June 30, 2000. The telecomputing equipment and services needed to meet this goal may be funded under this subsection, sections 79-1233 and 79-1310, or any combination of such subsection and sections. Such telecommunications equipment, services, and forms of technical innovation shall be approved by the State Department of Education in consultation with the Department of Administrative Services to insure compatibility of technologies and compliance with statewide priorities only after review by the technical panel created in section 11 of this act;

(d) An educational accountability program to develop an educational indicators system to measure the performance and outcomes of public schools and to ensure efficiency in operations;

(e) Alternative programs for students, including underrepresented groups, at-risk students, and dropouts;

(f) Programs that demonstrate improvement of student performance against valid national and international achievement standards;

(g) Early childhood and parent education which emphasizes child development;

(h) Programs using decisionmaking models that increase involvement of parents, teachers, and students in school management;

(i) Increased involvement of the community in order to achieve increased confidence in and satisfaction with its schools;

(j) Development of magnet or model programs designed to facilitate desegregation;

(k) Programs that address family and social issues impairing the learning productivity of students;

(l) Programs enhancing critical and higher-order thinking capabilities;

(m) Programs which produce the quality of education necessary to guarantee a competitive work force;

(n) Programs designed to increase productivity of staff and students through innovative use of time;

(o) Training programs designed to benefit teachers at all levels of education by increasing their ability to work with educational technology in the classroom;

(p) Approved programs or services under sections 79-1106 to 79-1108; and

(q) Programs for students with disabilities receiving special education under the Special Education Act and students needing support services as defined in section 79-1185, which programs demonstrate improved outcomes for students through emphasis on prevention and collaborative planning.

The Governor shall establish the Excellence in Education Council. The Governor shall appoint eleven members to the council including representatives of educational organizations, postsecondary educational institutions, the business community, and the general public, members of school boards and parent education associations, school administrators, and at least four teachers who are engaged in classroom teaching. The State Department of Education shall provide staff support for the council. The council shall have the following powers and duties:

(i) In consultation with the State Department of Education, develop and publish criteria for the awarding of grants for programs pursuant to this subsection, including minigrants;

(ii) Provide recommendations to the Governor regarding the selection of projects to be funded and the distribution and duration of project funding. For projects recommended under subdivision (2)(c) of this section, the council shall also provide recommendations to the Nebraska Information Technology Commission for its review and recommendations to the Governor;

(iii) Establish standards, formats, procedures, and timelines for the successful implementation of approved programs funded by the Education Innovation Fund;

(iv) Assist school districts in determining the effectiveness of the innovations in programs and practices and measure the subsequent degree of improvement in the quality of education;

(v) Consider the reasonable distribution of funds across the state and all classes of school districts; and

(vi) Provide annual reports to the Governor concerning programs funded by the fund. Each report shall include the number of applicants and approved applicants, an overview of the various programs, objectives, and anticipated outcomes, and detailed reports of the cost of each program.

To assist the council in carrying out its duties, the State Board of Education shall, in consultation with the council, adopt and promulgate rules and regulations establishing criteria, standards, and procedures regarding the selection and administration of programs funded from the Education Innovation Fund.

(3) Recipients of grants from the Education Innovation Fund shall be required to provide, upon request, such data relating to the funded programs and initiatives as the Governor deems necessary.

(4) Any money in the State Lottery Operation Trust Fund, the State Lottery Operation Cash Fund, the State Lottery Prize Trust Fund, or the Education Innovation Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(5) Unclaimed prize money on a winning lottery ticket shall be retained for a period of time prescribed by rules and regulations. If no claim is made within such period, the prize money shall be used at the discretion of the Tax Commissioner for any of the purposes prescribed in this section.

Sec. 17. Section 9-836.01, Reissue Revised Statutes of Nebraska, is amended to read:

9-836.01. The division may endorse and sell for profit tangible personal property related to the lottery. Any money received as profit by the division pursuant to this section shall be remitted to the State Treasurer for credit to the State Lottery Operation Trust Fund to be distributed to the Education Innovation Fund, the Solid Waste Landfill Closure Assistance Fund, the Nebraska Environmental Trust Fund, and the Compulsive Gamblers Assistance Fund pursuant to the requirements of section 9-812.

Sec. 18. Section 33-101, Revised Statutes Supplement, 1996, is amended to read:

33-101. There shall be paid to the Secretary of State the following fees:

(1) For certificate or exemplification with seal, ten dollars;

(2) For copies of records, for each page, a fee of one dollar;

(3) For accessing records by electronic means:

(a) For information in the Secretary of State's business division database on a business or nonprofit corporation, limited liability company, limited liability partnership, or limited partnership: Seventy-five cents for each business entity searched on an individual basis; and for batch requests of business entity information, fifteen dollars for up to one thousand business entities accessed and an additional fifteen dollars for each additional one thousand business entities accessed over one thousand;

(b) For an electronically transmitted letter indicating whether a business is properly registered with the Secretary of State and authorized to do business in the state, six dollars and fifty cents; and

(c) For the entire contents of the data base regarding corporations and the Uniform Commercial Code, eight hundred dollars monthly subscription rate; For filing articles of association, incorporation, or consolidation, domestic or foreign; if the capital stock is ten thousand dollars or less, sixty dollars; if the capital stock is more than ten thousand dollars but does not exceed twenty-five thousand dollars, one hundred dollars; if the capital stock is more than twenty-five thousand dollars but does not exceed fifty thousand dollars, one hundred fifty dollars; if the capital stock is more than fifty thousand dollars but does not exceed seventy-five thousand dollars, two hundred twenty-five dollars; if the capital stock is more than seventy-five thousand dollars but does not exceed one hundred thousand dollars, three

hundred dollars; and if the capital stock is over one hundred thousand dollars, three dollars additional for each one thousand dollars in excess of one hundred thousand dollars. For purposes of computing this fee, the capital stock of a corporation organized under the laws of any other state that domesticates in this state, and which stock does not have a par value, shall be deemed to have a par value of an amount per share equal to the amount paid in as capital for each of such shares as are then issued and outstanding, and in no event less than one dollar per share;

(4) For recording articles of association or incorporation, amendments, revised or restated articles, changes of registered office or registered agent, increase or decrease of capital stock, merger or consolidation, statement of intent to dissolve, and consent to dissolution, revocation of dissolution, articles of dissolution, domestic or foreign, profit or nonprofit, five dollars per page;

(5) For receiving and filing articles of incorporation of corporations formed for religious, benevolent, or literary purposes, not for profit, conducting no business for profit, with no right to declare dividends and not mutual in character, or religious or secret societies, or societies or associations composed exclusively of any class of mechanics, express, telegraph, or other employees formed for mutual protection, and not for profit, and other nonprofit corporations organized under Chapter 27, ten dollars, plus recording fee;

(6) For filing certificate of increase of capital stock of any corporation for profit, association, or consolidation, domestic or foreign, fifteen dollars, and three dollars for each one thousand dollars of increase of capital stock so certified, plus recording fee;

(7) For filing certificate of decrease of capital stock of any corporation for profit, thirty dollars, plus recording fee;

(8) For filing decree of court changing the name of any corporation or association, thirty dollars, plus recording fee;

(9) For filing amendment to articles of incorporation of any corporation for profit, twenty-five dollars, plus recording fee;

(10) For issuing license, ten dollars;

(11) For filing amendment to articles of incorporation of nonprofit corporation, five dollars, plus recording fee;

(12) (5) For taking acknowledgment, ten dollars;

(13) (5) For administering oath, ten dollars;

(7) For filings by for-profit corporations and associations required or permitted by law to file articles of incorporation or organization with the Secretary of State, the fees provided in section 21-2005 unless otherwise specifically provided by law; and

(8) For filings by nonprofit corporations and associations required or permitted by law to file articles of incorporation or organization with the Secretary of State, the fees provided in section 21-1905 unless otherwise specifically provided by law.

All fees collected pursuant to subdivision (3) of this section shall be deposited in the Records Management Cash Fund and shall be distributed as provided in any agreements between the State Records Board and the Secretary of State.

(14) For reservation of name, twenty dollars;

(15) For transfer of reserved name, twenty dollars;

(16) For registration of name, twenty-five dollars;

(17) For renewal of registered name, twenty-five dollars;

(18) For change of registered agent or registered office for domestic or foreign corporations, or both, twenty dollars, plus recording fee;

(19) For change of registered agent or registered office for nonprofit corporations, or both, filing, five dollars, plus recording fee;

(20) Fee for filing regarding shares divided and issued into series, revised articles, restated articles, statement of redeemable shares or shares other than redeemable, merger, consolidation, statement of intent to dissolve and consent to dissolution, revocation of dissolution and articles of dissolution of any corporation for profit shall be twenty dollars, plus recording fee;

(21) Fee for filing notice of merger or consolidation, or articles of dissolution for nonprofit corporations shall be five dollars, plus recording fee;

(22) Fee for filing certificates pertaining to foreign corporations regarding mergers, consolidation, and existence, twenty dollars, plus recording fee;

(23) Fee for filing foreign application for certificate of authority, one hundred twenty-five dollars, plus recording fee;

(24) Fee for filing foreign amended application for certificate of



authority, twenty dollars, plus recording fee;

(25) Fee for filing withdrawal of a foreign corporation, twenty dollars, plus recording fee; and

(26) For filing a change of street address in any city or village in this state of the registered office of any registered agent, who serves as registered agent for more than one corporation, seventy-five dollars, plus recording fee.

The fees for filing articles of association, incorporation, or consolidation, domestic or foreign, shall be based on the authorized capital stock. All fees set forth in this section shall be paid to the Secretary of State and by him or her remitted to the State Treasurer for credit to the General Fund, except that domestic and foreign corporate filing fees shall be credited two-thirds to the General Fund and one-third to the Corporation Cash Fund.

Commencing on January 1, 1996, corporations subject to the Business Corporation Act shall pay the fees as set forth in section 21-2005.

Commencing on January 1, 1997, nonprofit corporations subject to the Nebraska Nonprofit Corporation Act shall pay the fees as set forth in section 21-1905.

Sec. 19. Section 52-1302, Reissue Revised Statutes of Nebraska, is amended to read:

52-1302. For purposes of sections 52-1301 to 52-1321 and section 23 of this act, unless the context otherwise requires, the definitions found in sections 52-1303 to 52-1311 shall be used.

Sec. 20. Section 52-1307, Reissue Revised Statutes of Nebraska, is amended to read:

52-1307. Effective financing statement shall mean a statement that:

(1) Is an original or reproduced copy thereof;

(2) Is signed and filed by the secured party in the office of the county clerk in the county of the debtor's residence or, if the debtor is not a resident of this state, in the office of the county clerk in any county in which any of the farm products are used or produced;

(3) Is signed by the debtor;

(4) Contains (a) the name and address of the secured party, (b) the name and address of the debtor, (c) the social security number of the debtor or, in the case of a debtor doing business other than as an individual, the Internal Revenue Service taxpayer identification number of such debtor, (d) a description of the farm products subject to the security interest, (e) each county in Nebraska where the farm product is used or produced or to be used or produced, (f) crop year unless every crop of the farm product in question, for the duration of the effective financing statement, is to be subject to the particular security interest, (g) further details of the farm product subject to the security interest if needed to distinguish it from other quantities of such product owned by the same person or persons but not subject to the particular security interest, and (h) such other information that the Secretary of State may require to comply with section 1324 of the Food Security Act of 1985, Public Law 99-198, or to more efficiently carry out his or her duties under sections 52-1301 to 52-1321 and section 23 of this act;

(5) Shall be amended in writing, within three months, similarly signed and filed, to reflect material changes;

(6) Remains effective for a period of five years from the date of filing, subject to extensions for additional periods of five years each by refiling or filing a continuation statement within six months before the expiration of the five-year period;

(7) Lapses on either the expiration of the effective period of the statement or the filing of a notice signed by the secured party that the statement is terminated, whichever occurs first;

(8) Is accompanied by the requisite filing fee set by section 52-1313; and

(9) Substantially complies with the requirements of this section even though it contains minor errors that are not seriously misleading.

An effective financing statement may, for any given debtor or debtors, cover more than one farm product located in more than one county.

Sec. 21. Section 52-1312, Reissue Revised Statutes of Nebraska, is amended to read:

52-1312. The Secretary of State shall design and implement a central filing system for effective financing statements. The Secretary of State shall be the system operator. County clerks, for purposes of section 1324 of the Food Security Act of 1985, Public Law 99-198, shall be designees of the State of Nebraska to perform the functions set out in sections 52-1301 to 52-1321 and section 23 of this act. The system shall provide a means for filing effective financing statements or notices of such financing statements

on a statewide basis. The system shall include requirements:

(1) That an effective financing statement or notice of such financing statement shall be filed in the office of the county clerk in the county of the debtor's residence or, if the debtor is not a resident of this state, in the office of the county clerk in any county in which any of the farm products are used or produced. A debtor's residence shall be presumed to be the residence shown on the filing. The showing of an improper residence shall not affect the validity of the filing. The county clerk shall mark the statement or notice with a consecutive file number and with the date and hour of filing and shall hold the statement or notice or a microfilm or other photographic copy thereof for public inspection. In addition the county clerk shall index the statements and notices according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement;

(2) That the county clerks transmit to the Secretary of State on the day received sufficient information from all effective financing statements filed pursuant to subdivision (1) of this section to permit the compilation of the master list required by subdivision (3) of this section;

(3) That the Secretary of State compile all such statements or notices into a master list (a) organized according to farm product, (b) arranged within each such product (i) in alphabetical order according to the last name of the individual debtors or, in the case of debtors doing business other than as individuals, the first word in the name of such debtors, (ii) in numerical order according to the social security number of the individual debtors or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number of such debtors, (iii) geographically by county, and (iv) by crop year, and (c) containing the information referred to in subdivision (4) of section 52-1307;

(4) That the Secretary of State cause the information on the master list to be published in lists (a) by farm product arranged alphabetically by debtor and (b) by farm product arranged numerically by the debtor's social security number for individual debtors or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number of such debtors. If a registered buyer so requests, the list or lists for such buyer may be limited to any county or group of counties where the farm product is used or produced or to any crop year or years or a combination of such identifiers;

(5) That all buyers of farm products, commission merchants, selling agents, and other persons may register with the Secretary of State to receive lists described in subdivision (4) of this section. Any buyer of farm products, commission merchant, selling agent, or other person conducting business from multiple locations shall be considered as one entity. Such registration shall be on an annual basis. The Secretary of State shall provide the form for registration which shall include the name and address of the registrant and the list or lists described in subdivision (4) of this section which such registrant desires to receive. A registration shall not be completed until the form provided is properly completed and received by the Secretary of State accompanied by the proper registration fee. The fee for annual registration shall be thirty dollars.

A registrant shall pay an additional annual fee to receive quarterly lists described in subdivision (4) of this section. For each farm product list provided on microfiche, the annual fee shall be twenty-five dollars. For each farm product list provided on paper, the annual fee shall be one hundred dollars, and beginning for calendar year 1989, the annual fee shall be two hundred dollars. The annual fee for a special list which is a list limited to fewer than all counties or less than all crop years shall be one hundred fifty dollars for each farm product.

The Secretary of State shall maintain a record of the registrants and the lists and contents of the lists received by the registrants for a period of five years;

(6) That the lists as identified pursuant to subdivision (5) of this section be distributed by the Secretary of State on a quarterly basis and be in written or printed form. A registrant may choose in lieu of receiving a written or printed form to receive statewide lists on microfiche. The Secretary of State may provide for the distribution of the lists on any other medium and establish reasonable charges therefor. The distribution shall be made by either certified or registered mail, return receipt requested.

The Secretary of State shall, by rule and regulation, establish the dates upon which the quarterly distributions will be made, the dates after which a filing of an effective financing statement will not be reflected on the next quarterly distribution of lists, and the dates by which a registrant must complete a registration to receive the next quarterly list; and

(7) That the Secretary of State remove lapsed and terminated effective financing statements or notices of such financing statements from the master list prior to preparation of the lists required to be distributed by subdivision (6) of this section.

The Secretary of State shall apply to the Secretary of the United States Department of Agriculture for certification of the central filing system.

The Secretary of State shall deposit any funds received pursuant to subdivision (5) of this section in the Uniform Commercial Code Cash Fund.

Sec. 22. Section 52-1313, Reissue Revised Statutes of Nebraska, is amended to read:

52-1313. (1) Presentation for filing of an effective financing statement and the acceptance of the statement by the county clerk constitutes filing under sections 52-1301 to 52-1321 and section 23 of this act.

(2) The fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing of an effective financing statement, an amendment, or a continuation statement shall be five dollars. There shall be no fee for the filing of a termination statement.

(3) The fees set forth in subsection (2) of this section shall apply to filing of all instruments on paper no smaller than eight by five inches and no larger than eight and one-half by eleven inches in size. For instruments filed on paper of any other size, there shall be added to the fee for filing the sum of three dollars. The fee for attachments to all instruments submitted for filing shall be fifty cents per page for the first five pages of attachments.

(4) Any county clerk receiving a fee under subsection (2) of this section shall, on a monthly basis, forward two dollars of each fee to the Secretary of State for deposit in the Uniform Commercial Code Cash Fund and shall deposit the balance in the county general fund.

(5) The Secretary of State shall deposit any fees received pursuant to subsection (4) of this section in the Uniform Commercial Code Cash Fund.

Sec. 23. The record of effective financing statements maintained by the Secretary of State may be made available electronically through the gateway or electronic network established under section 84-1204. For batch requests, there shall be a fee of two dollars per requested effective financing statement record accessed through the electronic network, except that the fee for a batch request for one thousand or more effective financing statements shall be two thousand dollars. Effective financing statement data accessed through the gateway shall be for informational purposes only and shall not provide the protection afforded a buyer registered pursuant to section 52-1312.

All fees collected pursuant to this section shall be deposited in the Records Management Cash Fund and shall be distributed as provided in any agreements between the State Records Board and the Secretary of State.

Sec. 24. Section 52-1318, Reissue Revised Statutes of Nebraska, is amended to read:

52-1318. (1) The State of Nebraska hereby adopts the federal rules and regulations in effect on November 21, 1986, adopted and promulgated to implement section 1324 of the Food Security Act of 1985, Public Law 99-198. If there is a conflict between such rules and regulations and sections 52-1301 to 52-1321 and section 23 of this act, the federal rules and regulations shall apply.

(2) The Secretary of State shall adopt and promulgate rules and regulations necessary to implement sections 52-1301 to 52-1321 and section 23 of this act pursuant to the Administrative Procedure Act. If necessary to obtain federal certification of the central filing system, additional or alternative requirements made in conformity with section 1324 of the Food Security Act of 1985, Public Law 99-198, may be imposed by the Secretary of State by rule and regulation.

(3) The Secretary of State shall prescribe all forms to be used for filing effective financing statements and subsequent actions.

Sec. 25. Section 52-1602, Reissue Revised Statutes of Nebraska, is amended to read:

52-1602. (1) The master lien list prescribed in section 52-1601 shall be distributed by the Secretary of State on a quarterly basis corresponding to the date on which the lists provided pursuant to sections 52-1301 to 52-1321 and section 23 of this act are distributed. Such master lien list may be mailed with the list provided pursuant to sections 52-1301 to 52-1321 and section 23 of this act. If mailed separately, the master lien list shall be mailed by either certified or registered mail, return receipt requested.

(2) Any person may register with the Secretary of State to receive the master lien list prescribed in section 52-1601. Such registration shall be on an annual basis. The Secretary of State shall provide the form for registration. A registration shall not be completed until the form provided is properly completed and received by the Secretary of State accompanied by the proper registration fee. The fee for annual registration shall be thirty dollars, except that a registrant under sections 52-1301 to 52-1321 and section 23 of this act shall not be required to pay the registration fee provided by this section in addition to the registration fee paid pursuant to sections 52-1301 to 52-1321 and section 23 of this act for the same annual registration period. Beginning for calendar year 1989, a registrant under sections 52-1601 to 52-1605 shall pay an additional annual fee to receive quarterly master lien lists prescribed in section 52-1601. For each master lien list provided on microfiche, the annual fee shall be twenty-five dollars. For each master lien list provided on paper, the annual fee shall be two hundred dollars. The Secretary of State may provide for the distribution of master lien lists on any other medium and may establish reasonable charges therefor.

(3) The Secretary of State, by rule and regulation, shall establish the dates after which a filing of liens will not be reflected on the next quarterly distribution of the master lien list and the date by which a registrant shall complete a registration in order to receive the next quarterly master lien list.

(4) The Secretary of State shall deposit any funds received pursuant to subsection (2) of this section in the Uniform Commercial Code Cash Fund.

Sec. 26. Section 60-308, Revised Statutes Supplement, 1997, is amended to read:

60-308. The Department of Motor Vehicles shall keep a record of each vehicle registered, alphabetically by name of the owner, with cross reference in each instance to the registration number assigned to such vehicle. The record may be destroyed by any public officer having custody of it after three years from the date of its issuance.

The department shall furnish a copy of the record of a registered or titled vehicle to any person after receiving from the person the name on the registration, the license plate number, the vehicle identification number, or the title number of a vehicle, if the person provides to the department verification of identity and purpose pursuant to section 60-2906 or 60-2907. A fee of one dollar shall be charged for the copy. An extract of the entire file of vehicles registered or titled in the state or updates to the entire file may be provided to a person upon payment of a fee of twelve dollars per thousand records. Any fee received by the department pursuant to this section shall be deposited into the Department of Motor Vehicles Cash Fund.

The record of each vehicle registration or title maintained by the department pursuant to this section may be made available electronically through the gateway or electronic network established under section 84-1204. There shall be a fee of one dollar per record for individual records. For batch requests for multiple vehicle title and registration records selected on the basis of criteria of the individual making the request, there shall be a fee of twenty-four dollars for every request under two thousand records and a fee of twelve dollars per one thousand records for any number of records over two thousand, plus a reasonable programming fee not to exceed five hundred twenty dollars. All fees collected pursuant to this section for electronic access to records through the gateway shall be deposited in the Records Management Cash Fund and shall be distributed as provided in any agreements between the State Records Board and the department.

Sec. 27. Section 77-2701, Revised Statutes Supplement, 1997, is amended to read:

77-2701. Sections 77-2701 to 77-27,135.01 and section 29 of this act shall be known and may be cited as the Nebraska Revenue Act of 1967.

Sec. 28. Section 77-2702.03, Reissue Revised Statutes of Nebraska, is amended to read:

77-2702.03. For purposes of sections 77-2702.03 to 77-2713 and section 29 of this act, unless the context otherwise requires, the definitions found in sections 77-2702.04 to 77-2702.23, 77-2702.25, and 77-2702.26 shall be used.

Sec. 29. The record of sales tax permits maintained by the Department of Revenue may be made available electronically through the gateway or electronic network established under section 84-1204. There shall be a fee of five dollars and fifty cents for a monthly listing of all new sales tax permits. All fees collected pursuant to this section for electronic access to records through the gateway shall be deposited in the Records Management Cash Fund and shall be distributed as provided in any agreements between the State

Records Board and the department.

Sec. 30. Section 79-1310, Reissue Revised Statutes of Nebraska, is amended to read:

79-1310. It is the intent of the Legislature that by June 30, 2000, all kindergarten through grade twelve public school districts or affiliated school systems shall have a direct connection to a statewide public computer information network. The costs of such connection may be funded under this section, subsection (2) of section 9-812, section 79-1233, or any combination of such subsection and sections.

The School Technology Fund is created. The fund shall consist of the money transferred to the fund pursuant to section 81-1634 and appropriations made by the Legislature which are received as gifts or grants. The State Board of Education shall authorize the disbursement of the fund as provided in this section. The first priority for the disbursement of the School Technology Fund is the direct connection of each kindergarten through grade twelve public school district or affiliated school system to a statewide public computer information network. Subsequent priorities for disbursement may include, but are not limited to, development of networking capabilities within a district or system, the purchase or installation of equipment, or other telecomputing needs as determined by the State Board of Education. Funds shall be awarded on the basis of need, ability to pay, and the number of buildings in each district or affiliated school system designated by the State Board of Education as suitable for direct connection to a statewide public computer information network. The State Board of Education shall adopt and promulgate rules and regulations to carry out the provisions of this section. The State Board of Education shall consult with the Nebraska Information Technology Commission in carrying out this section. Any money in the School Technology Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 31. Section 79-1327, Reissue Revised Statutes of Nebraska, is amended to read:

79-1327. The advisory committee described in section 79-1326 shall:

(1) Assist in the study of needs of the schools and recommend appropriate program development;

(2) Help correlate operations between the Nebraska Educational Telecommunications Commission, the State Department of Education, the program development agencies, and the schools of Nebraska;

(3) Recommend appropriate instructional telecommunications production centers;

(4) Recommend appropriate program agencies for instructional telecommunications planning and development;

(5) Assist in the development of long-range, cooperative plans for instructional telecommunications in Nebraska;

(6) Assist in developing coordinated broadcast schedules for the available transmission sources;

(7) Submit nominations of candidates for director of instructional telecommunications; and

(8) Consistently keep the State Department of Education adequately informed on technical and transmission capabilities; and

(9) Provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act.

Sec. 32. Section 81-1102, Revised Statutes Supplement, 1996, is amended to read:

81-1102. For purposes of sections 11-119, 81-106, 81-1101 to 81-1118, 81-1121, 81-1170.01, 81-1170.02, and 84-304, unless the context otherwise requires:

(1) Gender with reference to the masculine or feminine gender shall be construed to apply to either or both genders;

(2) Executive budget shall mean the budget proposed by the Governor to the Legislature as the basis of appropriations for the operation of and capital outlay by state government during the period covered by such budget;

(3) Approved budget shall mean the executive or Governor's budget as modified by appropriations actions of the Legislature;

(4) Budgetary allotments shall mean the plan of expenditures, by program, subprogram, activity, or object of expenditure under the approved budget for monthly or other applicable periods of time within each fiscal year, to which a department or agency may be held during such period of time within the fiscal year;

(5) Accrual system shall mean the recording of revenue when earned and the recording of expenditures as soon as they result in liabilities,

notwithstanding the fact that the receipt of the revenue or payment of the expenditure may take place, in whole or in part, in another accounting period;

(6) Double entry system shall mean a system of bookkeeping which requires for every entry made to the debit side of an account or accounts an entry for a corresponding amount or amounts to the credit side of another account or accounts resulting in a self-balancing accounting system;

(7) Disbursement shall mean payment from the state treasury;

(8) Expenditure shall mean, when an accrual system has been established, total liability incurred by contract, purchase order, or payroll commitments or as otherwise provided by law, whether or not related disbursement has been made from the state treasury, and shall mean, until an accrual system has been established, disbursements from the state treasury;

(9) Revenue shall mean, when an accrual system has been established, additions to assets which do not increase any liability or represent the recovery of an expenditure or disbursement or any part thereof or the cancellation of liabilities without a corresponding increase in other liabilities or a decrease in assets. Until an accrual system has been established, this term shall mean additions to cash in the state treasury or for deposit in the state treasury only;

(10) Receipts shall mean cash received, unless otherwise qualified;

(11) Budgetary accounting shall mean a system of accounts designed to reflect budget operations and conditions such as estimated revenue, appropriations, and encumbrances as distinct from proprietary accounts designed to show the status of the assets, liabilities, and surplus of the state and its departments and agencies;

(12) Encumbrances shall mean charges to appropriation accounts to reflect obligations for which a part of the appropriation is reserved and which shall cease to be encumbrances when paid or when an actual liability is established in a proprietary account;

(13) Financing agreement shall mean any bond, lease-purchase obligation, installment sales contract, or similar financial arrangement, for a period greater than one year, which is entered into by the state or any agency, board, or commission thereof, not including the University of Nebraska or state colleges, in accordance with the Constitution of Nebraska and statutes of this state, relating to capital construction, real property acquisition, and personal property acquisition;

(14) Proprietary account shall mean those accounts designed to show actual financial position and operations such as actual assets, liabilities, surplus, revenue, and expenditures, as distinguished from budgetary accounts;

(15) Program shall mean a major operation of the state government directed toward the achievement of a definite legal objective and which, in most instances, could be carried on independently of other major operations of the state as defined and described in the accounting and budgeting manuals on file in the office of the Director of Administrative Services;

(16) Subprogram shall mean one or more operations of a department or agency of the state designed jointly to accomplish a major program objective as defined in the accounting and budgeting manuals on file in the office of the Director of Administrative Services;

(17) Activity shall mean one or more operations of a department or agency of the state designed jointly to accomplish the objective of a subprogram to which it is related as defined in the accounting and budgeting manual on file in the office of the Director of Administrative Services;

(18) Staffing pattern shall mean the number of positions in each class and the specific classes of positions as may be authorized for each department or agency for such department or agency programs, subprograms, and activities;

(19) Approved project shall mean any acquisition of land or buildings, any construction or major remodeling of new or newly acquired buildings or structures or of existing state-owned buildings or structures, excluding state highways or state roads or aeronautical projects, or any additions to buildings or structures of land owned by the state or its departments or agencies for which an appropriation or other act of the Legislature makes provision;

(20) Machine time shall mean the hours or fractions thereof of each component of a machine data processing system together with the hours or fractions thereof of machine operator time for each such component devoted to the production of a report or tabulation or the processing of data necessary to such production and shall also include a proportional reflection of the hours or fractions thereof of supervisory time so that all costs of operation of the data processing service information management services division may be reflected in billings to benefiting departments or agencies;

(21) Budget request shall mean the complete recitation, on forms prescribed by the budget division and in the manner prescribed by such division, of the operating and construction funds requests of a department or agency for the biennium next following the then current biennium;

(22) Department shall mean the Department of Administrative Services; and

(23) Director shall mean the Director of Administrative Services.

Sec. 33. Section 81-1107, Revised Statutes Supplement, 1996, is amended to read:

81-1107. The Director of Administrative Services is hereby vested with the duties, powers, and responsibilities involved in:

(1) The preparation of the executive budget and execution of the approved budget except as otherwise provided by law, including a system of periodic allotments for the management and regulation of expenditures and making surveys and studies for the purpose of improving administrative procedures, methods, and organization;

(2) The keeping of general accounts and the adoption and promulgation of appropriate rules, regulations, and administrative orders designed to assure a uniform and effective system of accounts and accounting, the approval of all vouchers, and the preparation and issuance of warrants for all purposes;

(3) The review and approval of financing agreements for the purposes of protecting the credit of the state, insuring the most advantageous terms, providing for proper accounting of financial transactions, complying with the approved budget, and promoting sound financial management.

Financing agreements related to real property acquisitions and capital construction projects within the Nebraska State Capitol Environs District may be financed, if determined appropriate by the director, subject to legislative appropriation. Real property acquisitions or capital construction projects within the Nebraska State Capitol Environs District shall not proceed without legislative appropriation and shall require the approval of both the Governor and the Executive Board of the Legislative Council.

Financing agreements related to real property acquisition and capital construction outside the Nebraska State Capitol Environs District shall not be financed without the express approval of the Legislature, and such legislative authorization shall include the maximum financing period for any project to be financed. The approval of such projects shall be through the capital construction budget process and shall be subject to legislative appropriation;

(4) The operation of such storerooms and warehouses as may be necessary;

(5) The allotment of space in the State Capitol building and other state office buildings to the various departments and agencies according to their needs and the space available except as provided in section 81-1108.21;

(6) The supervision of telephone, mailing, messenger, duplicating, ~~central~~ data processing, and other like services adaptable to economical and centralized management;

(7) The planning, review, and preparation of a state capital construction budget; ~~and~~

(8) The development, maintenance, and operation of a statewide intergovernmental data services system; ~~and~~

(9) The provision of assistance as requested by the Nebraska Information Technology Commission.

The director shall adopt a seal. The director may contract with another state agency to furnish centralized mailing, messenger, duplicating, and printing services in the interest of economy and efficiency in government while retaining ultimate direction and control.

Sec. 34. Section 81-1108, Reissue Revised Statutes of Nebraska, is amended to read:

81-1108. The Department of Administrative Services shall fulfill the functions in the administration of state government of fiscal control, of centralizing services, of personnel services, and of risk management. There shall be separate divisions within the department to assist in fulfilling these functions. The divisions shall be the accounting division and the budget division in the area of fiscal control, the ~~data processing information management services~~ management services division, materiel division, state building division, division of communications, general services division, and intergovernmental data services division in the area of centralized services, the personnel division and the Division of Employee Relations in the area of personnel services, and the risk management and state claims division in the area of risk management. The Director of Administrative Services shall appoint a

separate administrator as head of each division other than the Division of Employee Relations. The director shall have the responsibility and authority for directing and coordinating the programs and activities of the several divisions and shall be empowered to remove the administrators of any of the several divisions other than the Chief Negotiator at his or her discretion. The director shall have the power to delegate authority for administration of sections 81-1101 to 81-1189 and 81-1301 to ~~81-1390~~ 81-1392 and the Risk Management Program to any of the division heads as he or she may deem appropriate except as otherwise provided by law.

Sec. 35. Section 81-1116, Reissue Revised Statutes of Nebraska, is amended to read:

81-1116. The central data processing information management services division shall be headed by a data processing an administrator. Any person who has successfully completed a four-year program at an accredited four-year college or university and who has not less than four years total experience in machine data processing operations involving unit record or computer equipment, or both information management services, of which not less than one year shall have been experience as the supervisor of a machine data processing entity of a an information management entity in government or private enterprise, and not less than two years shall have been experience as a systems analyst or with principal responsibility for systems development or supervision, or both, and of which not less than one year shall have been experience in the operations program of a unit record or computer machine program, or both, may be appointed data processing manager information management services administrator by the Director of Administrative Services. In lieu of formal educational requisites hereinabove set forth, eight years progressively responsible experience in governmental or public accounting, or a combination of accounting and machine data processing systems experience, or a combination of both, may, at the option of the appointing authority, be accepted as meeting minimum qualifications for appointment. Successful completion of training courses covering the functions, programming, operations and systems development aspects of machine data processing information management equipment may be accounted as experience in direct proportion to the number of weeks of course work completed. The rate of pay for the data processing information management services administrator shall be fixed by the director subject to availability of appropriations. The data processing information management services administrator shall have the power to select and manage such staff and supervise the operation of such equipment as he or she may require.

Sec. 36. Section 81-1116.02, Reissue Revised Statutes of Nebraska, is amended to read:

81-1116.02. The purpose of the central data processing information management services division is to provide centralized, coordinated, and efficient data processing information management services to all state agencies and to prevent the proliferation and unnecessary duplication of data processing equipment information management operations and applications in state government.

Sec. 37. Section 81-1117, Revised Statutes Supplement, 1996, is amended to read:

81-1117. (1) As used in this section, unless the context otherwise requires, machine data processing shall include information management includes, but is not be limited to: use of the following:

(a) Mainframe computers, minicomputers, microprocessors, word processors, and desktop computers;

(b) Any peripheral device to be used with the equipment listed in subdivision (1)(a) of this section for such purposes as data input and output, data storage, or data communications;

(c) Any code or program to control the operation of the equipment or devices listed in subdivision (1)(a) or (1)(b) of this section; and

(d) Employment of professional data processing expertise for computer system design, operations, or program development.

(2) Subject to review and approval by the Director of Administrative Services, the data processing information management services administrator shall have the following powers, duties, and responsibilities:

(a) He or she may review the accounting and other records and reporting systems of all divisions within the Department of Administrative Services and within every other department and agency of the state;

(b) He or she shall systematically review the potential application of machine data processing information management to any work performed outside the central data processing service information management services division or by any department or agency of the state or any subdivision of any department or agency of the state, and if he or she finds that the costs of



mechanizing such work will not exceed present costs or that efficiencies may be achieved, he or she may accept responsibility for the performance of such work. He or she shall ~~may~~ also review current computer applications to determine if revision or deletion of computer applications would be beneficial. The findings of reviews made pursuant to this subdivision shall be reported to the Governor and the Legislative Fiscal Analyst;

(c) He or she may, with the approval of the director, make such revisions to internal systems for production of accounting and other reports as may be necessary to permit economical undertaking of work to be performed by the central data processing service information management services division for any agency or department of the state;

(d) He or she shall organize the data processing information management services division to provide system review, system design, feasibility studies, and machine reviews; ~~and long-range planning and management services;~~

(e) He or she may review the operations of machine data processing information management installations as may exist in any department or agency of the state and may cause such operations to be merged with those of the central data processing service information management services division in the event that a cost analysis shows that economic advantage may be achieved. He or she may permit the establishment of departmental or agency data processing machine information management operations in any department or agency of the state if his or her analysis of feasibility shows a potential economy or a substantial convenience for the state incident to such separate establishment. No state agency shall hire, purchase, lease, or rent any machine data processing information management item listed in subsection (1) of this section without the written approval of the central data processing information management services administrator. All new computer programs developed or acquired for use with machine data processing information management equipment of any state agency shall be documented according to standards developed or approved by the central data processing information management services administrator;

(f) He or she shall prepare a budget in sufficient time in advance of the statutory date for submittal of budget requests by departments and agencies of the state as to permit each department and agency for which services are performed, or are to be performed during the request budget period, to be informed of the cost of maintaining the current fiscal year's production work for inclusion within their respective budget requests;

(g) He or she shall provide for a system of charges for services rendered by the central data processing service information management services division of the Department of Administrative Services to any other department or agency of the state when these charges are allocable to a particular project carried on by such department or division. Such standard rate charges shall, as nearly as may be practical, reflect the actual costs incurred in the performance of services for such department or agency. Such system of charges shall be annually reviewed by the Legislature's Committee on Appropriations. Rates planned for the coming fiscal year shall be included in the instructions for completion of budget request forms as annually prepared by the Department of Administrative Services budget division. If rate revisions are required during the fiscal year to reflect changes in the information management services division's operating costs, these revisions shall be announced to state agencies at least thirty days prior to their use in billing these agencies for service. Miscellaneous supplies shall be billed to using agencies at actual cost. Equipment used primarily by one agency for special applications shall be billed to that agency at actual cost. In the event of saturation of the central data processing service information management services division with the resulting need for contractual support to be furnished by another data processing information management installation, agencies shall be billed at actual cost. The charges received by the department for data processing information management services shall be credited to a fund hereby created which shall be known as the Data Processing Information Management Revolving Fund. Expenditures shall be made from such fund to finance the operations of the data processing service information management services division in accordance with appropriations made by the Legislature. Any money in the Data Processing Revolving Fund on the operative date of this section shall be transferred to the Information Management Revolving Fund on or after such date. Any money in the Information Management Revolving Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act;

(h) He or she may provide data processing information management services and technical assistance to any subdivision of government as provided

for under the Interlocal Cooperation Act;

(i) He or she shall provide for the centralization of all administrative work, including that of educational institutions, into the central data processing service information management services division;

(j) He or she shall provide definitions of standards and common data elements, coordinate the collection of data, consolidate data files or data banks, and review and approve or disapprove the establishment of separate data banks; and

(k) He or she shall provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act, and

~~(l) He or she shall maintain a current inventory of all data processing equipment and system applications, as well as indicators of utilization.~~

Each member of the Legislature shall receive a copy of the report required by subdivision (2)(b) of this section by making a request for it to the administrator.

Sec. 38. Section 81-1117.02, Reissue Revised Statutes of Nebraska, is amended to read:

81-1117.02. (1) Neither the data processing information management services administrator, the Director of Administrative Services, nor any employee of such administrator or director shall release or permit the release of any data maintained in computer files to any person or persons without the express written approval of both the agency primarily responsible for collection and maintenance of such data and the employee to whom such data pertains, except as provided in subsection (2) of this section.

(2) Any data which is a public record in its original form shall remain a public record when maintained in computer files and shall be provided to the Legislative Fiscal Analyst pursuant to section 50-420 and shall be made available to the Auditor of Public Accounts solely for use in the performance of audits prescribed by law.

Sec. 39. Section 81-1120.17, Revised Statutes Supplement, 1996, is amended to read:

81-1120.17. The division of communications shall have the following duties, powers, and responsibilities:

(1) To coordinate the purchase, lease, and use of communications services equipment and facilities for state government;

(2) To advise departments and agencies of the state and political subdivisions thereof as to systems or methods to be used to meet requirements efficiently and effectively;

(3) To provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act;

(4) To consolidate and integrate radio communications systems and services of state agencies so far as practical and to provide for their joint use by the agencies;

(5) ~~+~~ To consolidate telephone and telephone-related activities, so far as practical, and to provide for their joint use by the agencies;

(6) ~~+~~ To assume management responsibility for any consolidated system or service and approve all purchases and contracts for such communications activities;

(7) ~~+~~ To enter into agreements for the mutual support and use of communications services of the agencies and departments of state government and its political subdivisions;

(8) ~~+~~ To provide for the rendering of mutual aid between state government and its political subdivisions and to cooperate with other states and the federal government with respect to the organizing of communications in expediting the carrying out of mutual aid in disasters, emergencies, and civil defense emergencies under the Emergency Management Act;

(9) ~~+~~ To use or acquire communications facilities now owned or operated by any state agency and to compensate such agency when appropriate;

(10) ~~+~~ To standardize policies and procedures for the use of such services in such a manner that communications systems in the domain of public safety or security not be compromised;

(11) ~~+~~ To assume responsibility for the maintenance and repair of state-owned communications facilities so far as practical;

(12) ~~+~~ To coordinate and consolidate maintenance and repair procedures and facilities so far as possible in the light of good business practice and the requirements of the agencies and departments concerned;

(13) ~~+~~ Subject to the conditions provided in section 81-1120.19, to contract with qualified suppliers and communications common carriers for communications facilities or services, including private-line services;

(14) ~~(13)~~ To apply for, receive, coordinate, and hold or, if appropriate, assist agencies in applying for, receiving, or holding such authorizations, licenses, and allocations of channels and frequencies as are necessary to carry out the purposes of sections 81-1120.01 to 81-1120.03 and 81-1120.15 to 81-1120.28;

(15) ~~(14)~~ To acquire real estate, equipment, and other property as an agency of the state, subject to the provisions of section 81-1120.19;

(16) ~~(15)~~ To cooperate with the Nebraska Emergency Management Agency as to its needs for emergency communications services; and

(17) ~~(16)~~ To insure that communications facilities are not used for any purpose which is contrary to the policy and intent of sections 81-1120.01 to 81-1120.03 and 81-1120.15 to 81-1120.28 or contrary to the laws and agreements under which the facilities are to be utilized.

Sec. 40. Section 81-1120.38, Reissue Revised Statutes of Nebraska, is amended to read:

81-1120.38. In establishing and maintaining the system, the division shall exercise the following duties and powers:

(1) The division shall obtain the computer network and services for the system from the division of communications and the data processing information management services division of the Department of Administrative Services;

(2) The administrator shall approve and coordinate the design, development, installation, training, and maintenance of applications by state agencies for use on the system. Any agency proposing to add an application to the system shall submit an evaluation to the administrator that (a) examines the cost-effectiveness, technical feasibility, and potential use of the proposed application, (b) identifies the total costs of the application, including design, development, testing, installation, operation, and any changes to the computer network that are necessary for its operation, and (c) provides a schedule that shows the estimated completion dates for design, development, testing, installation, training, and full operational status. The administrator shall not approve an application by a state agency for use on the system unless his or her review shows that the application is cost-effective and technically feasible, that funding is available, and that the proposed schedule is reasonable and feasible;

(3) The administrator shall approve changes in the design of applications by state agencies for use on the system. The administrator may require such information from the agency as necessary to determine that the proposed change in design is cost-effective and technically feasible, that funding is available, and that the proposed schedule for implementation is reasonable and feasible;

(4) The administrator, with the approval of the director, may contract with other governmental entities or private vendors in carrying out the duties of the division;

(5) The administrator, in cooperation with the division of communications and the data processing information management services division of the Department of Administrative Services, shall establish a rate schedule that reflects the rates adopted by the division of communications and the data processing information management services division, plus any additional costs of the intergovernmental data services division for the system. Such fees may reflect a base cost for access to the system, costs for actual usage of the system, costs for special equipment or services, or a combination of these factors. The administrator may charge for the costs of changes to the system that are requested by or are necessary to accommodate a request by a user. All fees shall be set to recover all costs of operation;

(6) The administrator shall submit as part of the biennial budget request of the department a listing of all applications submitted for consideration, cost estimates for development, testing, and full operation of each application, a recommended priority listing of the applications for which an evaluation is completed, and funding recommendations by application contained within the budget request for the division. All application estimates and requests shall be scheduled over ensuing fiscal years such that annual projected costs and completion of application phases to the point of fully operational status can be clearly determined. Local applications shall not be subject to the provisions of this subdivision;

(7) Ownership of the system, applications, and peripheral devices purchased or developed by the expenditure of state funds shall be vested with the state, and the responsibility for its proper operation shall be vested with the director and administrator;

(8) The administrator, with the approval of the director, may enter into agreements with other state and local governments, the federal government, or private-sector entities for the purpose of sale, lease, or

licensing for third-party resale of applications and system design. Proceeds from such agreements shall be deposited to the Data Systems Cash Fund, which fund is hereby created. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. The fund may be expended for application-related purposes for which the Legislature makes a specific appropriation. The fund may be used to subsidize the cost of operating existing applications, for lowering rates charged to participating state agencies and counties, or for the purpose of new application development;

(9) The budget division of the Department of Administrative Services shall administratively create such cash and revolving funds as may be required to properly account for the receipt of charges for use of applications and the payment of expenses for operation of the system. It is the intent of the Legislature that operations of the system shall be fully financed by user charges with the exception of development costs for new applications and initial costs of operation as applications progress to full operating status and are unable to generate sufficient fee revenue to finance operating costs;

(10) No local application shall be resident or operational in any component of the system without explicit authorization of the administrator;

(11) All development costs for approved new applications shall be budgeted and appropriated to the division or to participating state agencies at the discretion of the Legislature. Agencies may independently request appropriations for such application development, however such requests shall be subject to the review and prioritization set forth in subdivision (2) of this section, and at such time as the application becomes an authorized application and funded by the Legislature, the cost of such development shall be appropriated to the division or to participating state agencies. To the extent possible, if agency cash or revolving funds or federal funds may be used for application development, such funds may be transferred to the division and expended for application development in order to properly account for all costs associated with application development;

(12) The administrator shall approve or disapprove the attachment of any peripheral device to the system and may prescribe standards and specifications that such devices must meet;

(13) The administrator shall adopt and promulgate such rules, regulations, guidelines, and procedures to carry out this section;

(14) All communications and telecommunications services for the division and the system shall be secured from the division of communications of the Department of Administrative Services;

(15) The division, within available resources, shall assist the Intergovernmental Data Communications Advisory Council, the Geographic Information System Steering Committee, and other local, state, and federal collaborative efforts to encourage coordination of information systems and data sharing;

(16) The division may undertake and coordinate planning studies to determine the feasibility, benefits, costs, requirements, and options for the intergovernmental transfer of data;

(17) The administrator shall provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act; and

(18) Activities and responsibilities of the intergovernmental data services division shall be coordinated with the functions of the data processing information management services and communications divisions of the department. Overlap and duplication of technical services among the divisions in supporting the system, its applications, and application development shall be minimized. ~~and~~

~~(16) All historical accounts, fund balances, and assets contained in or obtained through expenditures incurred under Agency 65, Department of Administrative Services, Program 170, County Automation Project, shall be transferred to the division on June 9, 1993.~~

Sec. 41. Section 81-1167, Reissue Revised Statutes of Nebraska, is amended to read:

81-1167. The department, by rule and regulation, shall provide:

(1) That each agency shall develop a data acquisition plan. Such plan shall include (a) a detailed justification of how data will be used, once acquired, (b) the method of analysis that will be applied to such data, (c) the timetable for disseminating such data, (d) the total cost to and work hours required of each respondent in completing each form, (e) an estimate of the number of respondents of each form, and (f) an estimate, based upon previous experience, of the total annual cost to a state agency of collecting, processing, and analyzing the data from each form; and

(2) That any form required by an agency on an emergency basis may be given interim approval by the forms management center if such form is filed with the forms management center and is accompanied by a letter from the director or head of the state agency stating the nature of the emergency and requesting interim approval of such form. The department shall consult with the Nebraska Information Technology Commission and Chief Information Officer to provide proper forms management by electronic means whenever appropriate.

Sec. 42. Section 81-1195, Revised Statutes Supplement, 1996, is amended to read:

81-1195. The Information Technology Infrastructure Fund is hereby created. The fund shall be administered by the department. Expenditures shall be made from the fund to finance the operations of the Information Technology Infrastructure Act in accordance with the appropriations made by the Legislature. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. The Director of Administrative Services shall, in consultation with the Director of Communications and the data preprocessing information management services administrator, assess the financing needs of projects implemented under the Information Technology Infrastructure Act. The Director of Administrative Services shall provide for a system of equitable billings and charges for project costs to any state agency when the billings or charges are allocable to a particular project carried out under the act. The billings or charges shall reflect, as nearly as may be practical, the actual agency share of project costs. No state agency shall be billed or charged for project costs until a written agreement has been entered into by the department and the appropriate state agency. Agreements shall at a minimum include: (1) A description of the scope of the project; (2) the estimated project cost; and (3) the fund source allocation formula that will be applied to project billings or charges. All payments received by the department for project expenses shall be credited to the fund. Any fund balance transfer into the Information Technology Infrastructure Fund shall be approved by an act of the Legislature. The fund may be used for short-term lease-purchases; however, no lease-purchase contracts using the fund as a source of funding may extend beyond June 30, 2001. The director may make assessments for programs implemented under the act until June 30, 2001.

Sec. 43. Section 81-1199, Revised Statutes Supplement, 1996, is amended to read:

81-1199. The director may hire and reassign staff support and contract to obtain such operational support as may be required for ~~enterprise-wide~~ century date change projects. The director shall:

~~(1) Develop and recommend to the Legislature and the Governor enterprise-wide goals, guidelines, and priorities for information technology infrastructure;~~

~~(2) Advise the Governor and the Appropriations Committee of the Legislature regarding implementation of the enterprise-wide goals and guidelines;~~

~~(3) (1) Develop procedures and issue guidelines regarding applications for and uses of the Information Technology Infrastructure Fund;~~

~~(4) (2) Develop a system of charges for project costs and monitor the use of funds retained in state agency budgets that are dedicated for information technology infrastructure projects;~~

~~(5) (3) Evaluate and approve any such contracts between the department and other state agencies, boards, or commissions or outside vendors which will achieve the goals and purposes of the Information Technology Infrastructure Act;~~

~~(6) (4) Monitor the status of projects implemented under the Information Technology Infrastructure Act, including a complete accounting of all project costs by fund source; and~~

~~(7) (5) Appoint a qualified project administrator in the department to provide full-time project management; and~~

~~(8) Establish such subcommittees, task forces, or working groups as necessary and appropriate to advise the Governor and the Legislature on matters including, but not limited to:~~

~~(a) Information technology operations;~~

~~(b) Information management and data administration;~~

~~(c) Technology planning;~~

~~(d) Priorities for investment in technology operations;~~

~~(e) Information technology training; and~~

~~(f) Contracting mechanisms and funding measures.~~

Sec. 44. (1) The Information Technology Retraining Program is created. The purpose of the program is to identify and reeducate qualified

state employees. The program shall be administered by the personnel division of the Department of Administrative Services.

(2) Eligibility for the program may be granted to employees who:

(a) Demonstrate an aptitude for information technology as determined by the personnel division;

(b) Agree to enroll in an education program approved by the personnel division; and

(c) Agree to the conditions of repayment of loans granted for information technology training.

(3) The personnel division shall consult with the information management services division of the department and other information technology personnel to:

(a) Develop a screening process and criteria for program eligibility;

(b) Identify information technology professions that are areas of critical or emerging need for which a shortage of skills exist; and

(c) Identify or establish approved education programs in areas of critical need. The personnel division may establish a training program only after a detailed analysis of the cost and benefits of contracting with an existing educational institution, including courses and programs which may be available through the Western Governors University.

(4) The personnel division shall by rule and regulation set the terms of employee eligibility, placement of trained employees, and fiscal administration of the program, including conditions for employee repayment.

(5) A trained employee, in exchange for the training, shall agree to at least three years of continued state employment after completion of the program and shall repay a prorated amount of the training cost if state employment is voluntarily discontinued prior to three years. The prorated amount shall equal one thirty-sixth of the training cost for each month of state employment less than three years.

Sec. 45. Section 81-15,177, Reissue Revised Statutes of Nebraska, is amended to read:

81-15,177. (1) There is hereby established the Solid Waste Landfill Closure Assistance Fund which shall be a cash fund administered by the Department of Environmental Quality. The fund shall be used:

(a) To receive proceeds credited pursuant to section 9-812;

(b) To provide grants for landfill site closing assessment, closure, monitoring, and remediation costs related to landfills existing or already closed on July 15, 1992; and

(c) To provide funds to the department for expenses incurred in carrying out its duties under sections 81-15,178 and 81-15,179.

Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(2) The Environmental Quality Council shall adopt and promulgate rules and regulations regarding the form and procedure for applications for grants from the fund, procedures for determining claims for payment or reimbursement, procedures for determining the amount and type of costs that are eligible for payment or reimbursement from the fund, procedures for determining priority among applicants, procedures for auditing persons who have received payments from the fund, and other provisions necessary to carry out sections 81-15,178 and 81-15,179.

Sec. 46. Section 81-2304, Reissue Revised Statutes of Nebraska, is amended to read:

81-2304. There is hereby created the Intergovernmental Data Communications Advisory Council. The council shall consist of thirteen members as follows:

(1) One person shall be a representative of the intergovernmental data services division of the Department of Administrative Services, who shall serve as the chairperson of the council;

(2) One person shall be a representative of the central data processing information management services division of the Department of Administrative Services;

(3) One person shall be a representative of the division of communications of the Department of Administrative Services;

(4) One person shall be appointed by the Governor as a representative of state government;

(5) One person shall be appointed by the Executive Board of the Legislative Council as a representative of the Legislature;

(6) One person shall be appointed by the Chief Justice of the Supreme Court as a representative of the court system;

(7) Two elected county officials shall be appointed by the Governor

as representatives of county government;

(8) Two elected city or village officials shall be appointed by the Governor as representatives of municipal government;

(9) One person shall be appointed by the Governor as a representative of the local data processing division of a political subdivision;

(10) One person shall be a representative of the Nebraska Natural Resources Commission data bank; and

(11) The State Records Administrator or his or her designee shall serve as an ex officio, nonvoting member.

Sec. 47. Section 81-2308, Reissue Revised Statutes of Nebraska, is amended to read:

81-2308. The council shall: (1) Develop and publish one-year and five-year plans, specifications, and recommendations for the data processing needs of the state and for a network to provide for intergovernmental transfer of data; (2) seek to eliminate duplication of effort through coordination of related projects; (3) promote flexibility in the collection, use, and exchange of information in anticipation of future needs of the state and its political subdivisions; (4) identify and recommend data processing applications in anticipation of the future needs of state and local governments; ~~and~~ (5) promote intergovernmental exchanges of data and technical expertise; (6) report to, assist, and advise the Chief Information Officer in setting information technology policy; and (7) provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act. The council may: (a) Study and make recommendations, including a cost-benefit analysis, concerning state projects which involve intergovernmental transfer of information in an electronic medium or multijurisdictional data processing projects; and (b) study and make recommendations, including a cost-benefit analysis, concerning a local project only if the request for assistance comes from the governmental subdivisions involved in the project.

Sec. 48. Section 81-2602, Reissue Revised Statutes of Nebraska, is amended to read:

81-2602. The Geographic Information System Steering Committee is hereby created and shall consist of ~~fifteen~~ eighteen members as follows:

(1) The director or designee of the Department of Administrative Services, the Department of Environmental Quality, the Conservation and Survey Division of the University of Nebraska, the Nebraska Natural Resources Commission, and the Governor's Policy Research Office;

(2) The Director-State Engineer or designee;

(3) The State Surveyor or designee;

(4) ~~The Director of Research~~ Clerk of the Legislature or designee;

(5) ~~The secretary of the Game and Parks Commission~~ or designee;

(6) ~~The Property Tax Administrator~~ or designee;

(7) One representative of federal agencies appointed by the Governor;

(8) One representative of the natural resources districts nominated by the Nebraska Association of Resources Districts and appointed by the Governor;

~~46+~~ (9) One representative of the public power districts appointed by the Governor;

~~47+~~ (10) Two representatives of the counties nominated by the Nebraska Association of County Officials and appointed by the Governor;

~~48+~~ (11) One representative of the municipalities nominated by the League of Nebraska Municipalities and appointed by the Governor; and

~~49+~~ (12) Two members at large appointed by the Governor.

The appointed members shall serve for terms of four years, except that of the initial members appointed by the Governor, one of the representatives of the counties shall be appointed for one year and the other shall be appointed for three years, one of the members at large shall be appointed for one year and the other for three years, and the representative of the public power districts shall be appointed for two years. Their successors shall be appointed for four-year terms. Any vacancy on the committee shall be filled in the same manner as the original appointment, and the person selected to fill such vacancy shall have the same qualifications as the member whose vacancy is being filled.

The members shall be reimbursed for their actual and necessary expenses as provided in sections 81-1174 to 81-1177.

Sec. 49. Section 81-2604, Reissue Revised Statutes of Nebraska, is amended to read:

81-2604. The Geographic Information System Steering Committee shall:

(1) Make recommendations to the Legislature for program initiatives and funding; and

(2) Establish guidelines and policies for statewide Geographic Information System operations and management to include:

(a) The acquisition, development, maintenance, quality assurance such as quality control standards, access, ownership, cost recovery, and priorities of data bases;

(b) The compatibility, acquisition, and communications of hardware and software;

(c) The assessment of needs, identification of scope, setting of standards, and determination of an appropriate enforcement mechanism;

(d) The fostering of training programs and promoting education and information about the Geographic Information System; and

(e) The promoting of the Geographic Information System development in the State of Nebraska and providing or coordinating additional support to address Geographic Information System issues as such issues arise;

(3) Report to, assist, and advise the Chief Information Officer in setting information technology policy; and

(4) Provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 11 of this act.

Sec. 50. Section 81-2605, Reissue Revised Statutes of Nebraska, is amended to read:

81-2605. Annually, ~~in July~~, the chairperson of the Geographic Information System Steering Committee shall submit a written report, approved by the committee, to the Governor and the Clerk of the Legislature and shall send a copy of such report to the Intergovernmental Data Communications Advisory Council.

Sec. 51. Section 84-407, Reissue Revised Statutes of Nebraska, is amended to read:

84-407. (1) The Board of Educational Lands and Funds shall appoint a competent and experienced land surveyor to be known and designated as the State Surveyor. He or she shall take charge under the supervision of the board of the field notes, maps, charts, and records of the United States surveys and perform such other duties as may be prescribed by the board. He or she shall also provide technical assistance, support, and advice to the various counties, cities, and other governmental bodies in Nebraska in their endeavors to produce and maintain cadastral or other geo-referenced maps.

(2) The board may, when in its judgment there is need of expediting the execution of surveys applied or petitioned for and of expediting the settlement of the disputes referred to in section 84-410, appoint one or more competent experienced deputy land surveyors.

(3) Each of the deputy surveyors shall make such surveys as may be assigned him or her and report his or her work together with all necessary notes and maps to the board. Upon approval of his or her report and accompanying documents by the board, the same shall be used in all respects as though made by the chief State Surveyor. Each deputy appointed under the provisions of this section, except as otherwise provided in section 84-407.01, shall be entitled to compensation as determined by the board and necessary expenses for the time actually engaged in service, to be paid to the State Treasurer by the parties applying for or petitioning for a survey or resurvey, and parties interested in any dispute over surveys or boundaries.

Sec. 52. Section 84-1205.01, Revised Statutes Supplement, 1997, is amended to read:

84-1205.01. The board shall establish a technical advisory committee to assist it in the performance of its duties. The committee shall consist of individuals who have technical experience and expertise in electronic access and information technology. The committee shall have three members. The members shall include a representative from a state agency that is responsible for providing public records, a representative from the central data processing information management services division of the Department of Administrative Services, and a representative from the computer services group of the Legislative Council.

Sec. 53. Section 84-1205.02, Revised Statutes Supplement, 1997, is amended to read:

84-1205.02. Except as provided in sections 52-1316 and 60-483 and section 9-411, Uniform Commercial Code, the board may establish reasonable fees for electronic access to public records through the gateway. The fees shall not exceed the statutory fee for distribution of the public records in other forms. Any fee established by the board under this section may be collected for ~~a one-year~~ an eighteen-month period and shall terminate at the end of the ~~one-year~~ such period unless enacted by the Legislature. Any fees



collected under this section shall be deposited in the Records Management Cash Fund.

Sec. 54. Section 84-1205.03, Revised Statutes Supplement, 1997, is amended to read:

84-1205.03. (1) Any state agency other than the courts desiring to enter into an agreement to or otherwise provide electronic access to public records through a gateway for a fee shall make a written request for approval to the board. The request shall include, but not be limited to, (a) a copy of the contract under consideration if the electronic access is to be provided through a contractual arrangement, (b) the public records which are the subject of the contract or proposed electronic access fee, (c) the anticipated or actual timeline for implementation, and (d) any security provisions for the protection of confidential or sensitive records. The board shall take action on such request in accordance with section 84-1205.02 and after a public hearing within thirty days after receipt. The board may request a presentation or such other information as it deems necessary from the requesting state agency.

(2) A state agency other than the courts may charge a fee for electronic access to public records without the board's approval for a one-time sale in a unique format. The purchaser may object to the fee in writing to the board, and the one-time fee shall then be subject to approval by the board according to the procedures and guidelines established in sections 84-1205 to 84-1205.04.

(3) Courts providing electronic access to public records through a gateway for a fee shall make a written report. The State Court Administrator shall file the report with the board. The report shall include, but not be limited to, (a) a copy of the contract under consideration if the electronic access is to be provided through a contractual arrangement, (b) the public records which are the subject of the contract or proposed electronic access fee, (c) the anticipated or actual timeline for implementation, and (d) any security provisions for the protection of confidential or sensitive records. The board may request a presentation or such other information as it deems necessary. The courts shall take into consideration any recommendation made by the board with respect to such fees.

(4) Courts may charge a fee for electronic access to public records for a one-time sale in a unique format without providing a report to the board as required under subsection (3) of this section.

Sec. 55. Section 84-1205.05, Revised Statutes Supplement, 1997, is amended to read:

84-1205.05. The board shall provide quarterly reports to the Executive Board of the Legislative Council and Nebraska Information Technology Commission on its activities pursuant to sections 84-1205 to 84-1205.04.

Sec. 56. Section 1-101, Uniform Commercial Code, is amended to read:

1-101. Short title.

Sections 1-101 to 10-104 and section 62 of this act shall be known and may be cited as the Uniform Commercial Code.

Sec. 57. Section 9-306, Uniform Commercial Code, is amended to read:

9-306. "Proceeds"; secured party's rights on disposition of collateral.

(1) "Proceeds" includes whatever is received upon the sale, exchange, collection or other disposition of collateral or proceeds. Insurance payable by reason of loss or damage to the collateral is proceeds, except to the extent that it is payable to a person other than a party to the security agreement. Any payments or distributions made with respect to investment property collateral are proceeds. Money, checks, deposit accounts, and the like are "cash proceeds". All other proceeds are "noncash proceeds".

(2) Except where this article otherwise provides, a security interest continues in collateral notwithstanding sale, exchange, or other disposition thereof unless the disposition was authorized by the secured party in the security agreement or otherwise, and also continues in any identifiable proceeds including collections received by the debtor. Authorization to sell, exchange, or otherwise dispose of farm products shall not be implied or otherwise result, nor shall a security interest in farm products be considered to be waived, modified, released, or terminated, from any course of conduct, course of performance, or course of dealing between the parties or by any trade usage in any case in which: (a) The secured party has filed an effective financing statement in accordance with the provisions of sections 52-1301 to 52-1321, Reissue Revised Statutes of Nebraska, and section 23 of this act or (b) the buyer of farm products has received notice from the secured party or the seller of farm products in accordance with the provisions of 7 U.S.C. 1631(e)(1)(A), unless the buyer has secured a waiver or release of the

security interest specified in such effective financing statement or notice from the secured party.

(3) The security interest in proceeds is a continuously perfected security interest if the interest in the original collateral was perfected but it ceases to be a perfected security interest and becomes unperfected ten days after receipt of the proceeds by the debtor unless

(a) a filed financing statement covers the original collateral and the proceeds are collateral in which a security interest may be perfected by filing in the office or offices where the financing statement has been filed and, if the proceeds are acquired with cash proceeds, the description of collateral in the financing statement indicates the types of property constituting the proceeds;

(b) a filed financing statement covers the original collateral and the proceeds are identifiable cash proceeds;

(c) the original collateral was investment property and the proceeds are identifiable cash proceeds; or

(d) the security interest in the proceeds is perfected before the expiration of the ten-day period.

Except as provided in this section, a security interest in proceeds can be perfected only by the methods or under the circumstances permitted in this article for original collateral of the same type.

(4) In the event of insolvency proceedings instituted by or against a debtor, a secured party with a perfected security interest in proceeds has a perfected security interest only in the following proceeds:

(a) in identifiable noncash proceeds and in separate deposit accounts containing only proceeds;

(b) in identifiable cash proceeds in the form of money which is neither commingled with other money nor deposited in a deposit account prior to the insolvency proceedings;

(c) in identifiable cash proceeds in the form of checks and the like which are not deposited in a deposit account prior to the insolvency proceedings; and

(d) in all cash and deposit accounts of the debtor in which proceeds have been commingled with other funds, but the perfected security interest under this paragraph (d) is

(i) subject to any right of setoff; and

(ii) limited to an amount not greater than the amount of any cash proceeds received by the debtor within ten days before the institution of the insolvency proceedings less the sum of (I) the payments to the secured party on account of cash proceeds received by the debtor during such period and (II) the cash proceeds received by the debtor during such period to which the secured party is entitled under paragraphs (a) through (c) of this subsection (4).

(5) If a sale of goods results in an account or chattel paper which is transferred by the seller to a secured party, and if the goods are returned to or are repossessed by the seller or the secured party, the following rules determine priorities:

(a) If the goods were collateral at the time of sale for an indebtedness of the seller which is still unpaid, the original security interest attaches again to the goods and continues as a perfected security interest if it was perfected at the time when the goods were sold. If the security interest was originally perfected by a filing which is still effective, nothing further is required to continue the perfected status; in any other case, the secured party must take possession of the returned or repossessed goods or must file.

(b) An unpaid transferee of the chattel paper has a security interest in the goods against the transferor. Such security interest is prior to a security interest asserted under paragraph (a) to the extent that the transferee of the chattel paper was entitled to priority under section 9-308.

(c) An unpaid transferee of the account has a security interest in the goods against the transferor. Such security interest is subordinate to a security interest asserted under paragraph (a).

(d) A security interest of an unpaid transferee asserted under paragraph (b) or (c) must be perfected for protection against creditors of the transferor and purchasers of the returned or repossessed goods.

Sec. 58. Section 9-307, Uniform Commercial Code, is amended to read:  
9-307. Protection of buyers of goods.

(1) A buyer in ordinary course of business (subsection (9) of section 1-201) other than a person buying farm products from a person engaged in farming operations takes free of a security interest created by his or her seller even though the security interest is perfected and even though the

buyer knows of its existence. A buyer of farm products may be subject to a security interest under sections 52-1301 to 52-1321 and section 23 of this act.

(2) In the case of consumer goods, a buyer takes free of a security interest even though perfected if he or she buys without knowledge of the security interest, for value and for his or her own personal, family or household purposes unless prior to the purchase the secured party has filed a financing statement covering such goods.

(3) A buyer other than a buyer in ordinary course of business (subsection (1) of this section) takes free of a security interest to the extent that it secures future advances made after the secured party acquires knowledge of the purchase.

(4) No buyer shall be allowed to take advantage of and apply the right of offset to defeat a priority established by any lien or security interest.

Sec. 59. Section 9-411, Uniform Commercial Code, is amended to read:

9-411. Information provided by filing; telephone and written inquiries; filing officer; Secretary of State; duties; fees; liability; when.

(1) Telephone and written inquiries regarding information provided by the filing shall be accepted and answered by the filing officer. When a filing party provides the filing officer with a postage paid addressed envelope and a copy of the filing, the filing officer shall note the time and date of filing on the copy and mail it in the envelope provided. The fee for furnishing file information shall be two dollars and fifty cents for each debtor or trade name searched by the filing officer. Of the fee received pursuant to this subsection by the Secretary of State for furnishing file information by electronic or other means, one dollar and fifty cents of each fee shall be remitted to the State Treasurer for credit to the Uniform Commercial Code Cash Fund and one dollar of each fee shall be remitted to the State Treasurer for credit to the Records Management Cash Fund. If the information request requires attestation by the filing officer, an additional fee of three dollars shall be assessed.

(2) The filing officer and his or her employees or agents are exempted from all personal liability as a result of any error or omission in providing information as required by this section except in cases of willful misconduct or gross negligence.

~~(3)~~ (3) There shall be a uniform fee, payable to the office at which inquiry is made, for any inquiries made by telephone regarding information provided by the filing. Such fee shall be one dollar per name and shall be in addition to any other charge for services. Except as provided in subsection ~~(3)~~ (4) of this section, there shall be no charge for actual inspection of any public records kept by the filing officer.

~~(4)~~ (4) There shall be no fee charged for actual inspection of records of a filing kept by the Secretary of State for the inspection of ten names or less per day by a single person. There shall be a uniform fee, in addition to any other charge for services payable to the Secretary of State, of one dollar per name for each inspection in excess of ten names per day by a single person.

~~(5)~~ (5) The Secretary of State shall provide twenty-four-hours-a-day seven-days-a-week service for inquiries made by telephone or electronic means. The Secretary of State shall provide a printed copy of filing information requested for a fee of fifty cents per page.

Sec. 60. Section 9-415, Uniform Commercial Code, is amended to read:

9-415. Secretary of State; implementation of centralized computer system.

The Secretary of State shall implement a centralized computer system for the accumulation and dissemination of information relative to financing statements and other necessary Uniform Commercial Code documents whenever the collateral is equipment used in farming operations, farm products, farm products which have become inventory of a person engaged in farming, or accounts or general intangibles arising from or relating to the sale of farm products by a farmer. Such a system shall include the entry of information relative to notice of liens into the computer system by county clerks and the dissemination of such information by a computer system or systems, telephone, mail, and such other means of communication as may be deemed appropriate. Such system shall be designed as an interactive system.

Computer access to information regarding obligations of debtors shall be made available twenty-four hours a day on every day of the year. The Secretary of State shall provide information from the system by telephone during normal business hours.

The centralized computer system implemented pursuant to this section

shall include information relative to effective financing statements as provided in sections 52-1301 to 52-1321 and section 23 of this act.

Sec. 61. Section 9-420, Uniform Commercial Code, is amended to read:  
9-420. Uniform Commercial Code Cash Fund; created; use; Secretary of State; furnish printers.

(1) There is hereby created the Uniform Commercial Code Cash Fund. ~~All Except as otherwise specifically provided, all funds received pursuant to sections 9-403, 9-408, and 9-411, Uniform Commercial Code, and sections 52-1312, 52-1313, 52-1316, and 52-1602 shall be placed in the fund and used by the Secretary of State to carry out subsection (2) of this section, sections 9-401, 9-403, and 9-411 to 9-415, Uniform Commercial Code, and sections 52-1301 to 52-1321 and section 23 of this act, except that transfers from the Uniform Commercial Code Cash Fund to the General Fund may be made at the direction of the Legislature, and except as otherwise specifically provided by law.~~

(2) The Secretary of State shall furnish each county clerk a printer compatible with the centralized computer system established pursuant to section 9-415, Uniform Commercial Code, so the county clerk is able to mail written confirmation of inquiries by the end of the next business day as required by section 52-1316.

Sec. 62. The record of a Uniform Commercial Code or statutory lien maintained by the Secretary of State may be made available electronically through the gateway or electronic network established under section 84-1204. For batch requests, there shall be a fee of two dollars per lien record accessed through the electronic network, except that the fee for a batch request for one thousand or more lien records shall be two thousand dollars.

All fees collected pursuant to this section shall be deposited in the Records Management Cash Fund and shall be distributed as provided in any agreements between the State Records Board and the Secretary of State.

Sec. 63. Sections 63 to 68 of this act shall be known and may be cited as the Nebraska Plane Coordinate System Act.

Sec. 64. (1) For purposes of the Nebraska Plane Coordinate System Act, Nebraska Plane Coordinate System means the system of plane coordinates for designating the geographic position of points on the surface of the earth, within the State of Nebraska, which have been established by the National Ocean Service/National Geodetic Survey, or its successors, for defining and stating the geographic positions or locations of points on the surface of the earth, within the State of Nebraska; and

(2) For purposes of more precisely defining the Nebraska Plane Coordinate System, the following definition by the National Ocean Service/National Geodetic Survey is also adopted:

The Nebraska Plane Coordinate System is a Lambert conformal conic projection of the North American Datum of 1983, having standard parallels at north latitudes 40 degrees 00 minutes and 43 degrees 00 minutes along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 100 degrees 00 minutes west of Greenwich and the parallel 39 degrees 50 minutes north latitude. This origin is given the coordinates. N = 0 meters and E = 500,000 meters.

Sec. 65. The plane coordinate values for a point on the earth's surface used to express the geographic position or location of such point of this system shall consist of two distances expressed in meters and decimals of a meter when using the Nebraska Plane Coordinate System. One of the distances, to be known as the "northing" or "N", shall give the position in a north-and-south direction. The other, to be known as the "easting" or "E", shall give the position in an east-and-west direction. These coordinates shall be made to depend upon and conform to plane rectangular coordinate values for the monumented horizontal control stations of the North American National Geodetic Horizontal Network as published by the National Ocean Service/National Geodetic Survey, or its successors, and whose plane coordinates have been computed based on the system described in the Nebraska Plane Coordinate System Act. Any such station may be used for establishing a survey connection to the Nebraska Plane Coordinate System.

Sec. 66. No coordinates based on the Nebraska Plane Coordinate System purporting to define the position of a point on a land boundary shall be presented to be recorded in any public land records or deed records unless such point is within one kilometer of a monumented horizontal control station established in conformity with the standards of accuracy and specifications for first-order or second-order geodetic surveying, as prepared and published by the Federal Geodetic Control Subcommittee of the United States Department of Commerce. Standards and specifications of the Federal Geodetic Control Subcommittee, or its successor, in force on the date of the survey shall

apply. Publishing existing monumented horizontal control stations, or the acceptance with intent to publish the newly established monumented horizontal control stations, by the National Ocean Service/National Geodetic Survey shall constitute evidence of adherence to the Federal Geodetic Control Subcommittee specifications. The State Surveyor may grant a waiver of the requirements of this section upon submission of evidence that the standards of accuracy and specifications used exceed the requirements of this section.

Sec. 67. The use of the term "Nebraska Plane Coordinate System" on any map, report, survey, or other document shall be limited to coordinates based upon the Nebraska Plane Coordinate System.

Sec. 68. Descriptions of tracts of land by reference to subdivisions, lines or corners of the United States public land survey, or other original pertinent surveys, are hereby recognized as the basic and prevailing method for describing tracts of land. Whenever coordinates of the Nebraska Plane Coordinate System are used in descriptions of tracts of land, they shall be construed as being supplementary to descriptions of such subdivisions, lines or corners of the United States public land survey, or such other original pertinent surveys contained in official plats and field notes of record. In the event of any conflict, coordinates of the Nebraska Plane Coordinate System shall not determine the issue, but may be used as collateral facts to show additional evidence.

Sec. 69. (1) In any written communication in which a signature is required or used, any party to the communication may affix a signature by use of a digital signature that complies with the requirements of this section. The use of a digital signature shall have the same force and effect as the use of a manual signature if and only if it embodies all of the following attributes:

- (a) It is unique to the person using it;
- (b) It is capable of verification;
- (c) It is under the sole control of the person using it;
- (d) It is linked to data in such a manner that if the data is changed, the digital signature is invalidated; and
- (e) It conforms to rules and regulations adopted and promulgated by the Secretary of State.

(2) The Secretary of State shall adopt and promulgate rules and regulations to carry out this section. The initial rules and regulations shall be adopted no later than January 1, 1999. In developing the rules and regulations, the Secretary of State shall seek the advice of public and private entities, including the Department of Administrative Services.

(3) The use or acceptance of a digital signature shall be at the option of the parties to the communication. Nothing in this section shall require a person to use or permit the use of a digital signature.

(4) For purposes of this section, digital signature means an electronic identifier, created by computer, intended by the person using it to have the same force and effect as a manual signature.

Sec. 70. It is the intent of the Legislature that any funds appropriated pursuant to the intent of section 3, Legislative Bill 1110, Ninety-fifth Legislature, Second Session, 1998, for technology-related projects or technology initiatives undertaken by an educational service unit follow the review process established in sections 1 to 14 of this act, including the review by the technical panel and review and prioritization by the Nebraska Information Technology Commission.

Sec. 71. Sections 18 to 29, 53, 54, 56 to 68, and 73 of this act become operative three calendar months after the adjournment of this legislative session. The other sections of this act become operative on their effective date.

Sec. 72. If any section in this act or any part of any section is declared invalid or unconstitutional, the declaration shall not affect the validity or constitutionality of the remaining portions.

Sec. 73. Original sections 52-1302, 52-1307, 52-1312, 52-1313, 52-1318, 52-1602, and 77-2702.03, Reissue Revised Statutes of Nebraska, section 33-101, Revised Statutes Supplement, 1996, sections 60-308, 77-2701, 84-1205.02, and 84-1205.03, Revised Statutes Supplement, 1997, and sections 1-101, 9-306, 9-307, 9-411, 9-415, and 9-420, Uniform Commercial Code, are repealed.

Sec. 74. Original sections 2-1570, 9-812, 9-836.01, 79-1310, 79-1327, 81-1108, 81-1116, 81-1116.02, 81-1117.02, 81-1120.38, 81-1167, 81-15.177, 81-2304, 81-2308, 81-2602, 81-2604, 81-2605, and 84-407, Reissue Revised Statutes of Nebraska, sections 81-1102, 81-1107, 81-1117, 81-1120.17, 81-1195, and 81-1199, Revised Statutes Supplement, 1996, and sections 84-1205.01 and 84-1205.05, Revised Statutes Supplement, 1997, are repealed.

Sec. 75. Since an emergency exists, this act takes effect when