

NEBRASKA STATE RECORDS BOARD
MEETING: December 17, 1997

Nebraska State Capitol
Room 1507
Lincoln, NE
December 17, 1997
9:00 A.M.

SCOTT MOORE
SECRETARY OF STATE



SUITE 2300 CAPITOL BUILDING
LINCOLN NEBRASKA 68509-4608
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STATE OF NEBRASKA
NEBRASKA STATE RECORDS BOARD
AGENDA
1507 STATE CAPITOL
DECEMBER 17, 1997 - 9:00 A.M.

1. Call to Order, Roll Call
2. ✓ Adoption of minutes from December 1st meeting
3. ✓ Information Technology Commission Briefing--Lieutenant Governor Kim Robak
4. Public Hearing on Fee Based Electronic Access Services
 - a. ✓ Department of Revenue
 - b. ✓ Secretary of State
5. ✓ Legislation
 - a. LB590 Clean-up Draft
 - b. Electronic Access Fee Bill(s)
6. Miscellaneous Matters
7. Schedule Next Meeting
8. Adjournment



NEBRASKA STATE RECORDS BOARD

MINUTES

Meeting of December 1, 1997

The meeting was called to order by Chairman Scott Moore at 1:15 P.M. on December 1, 1997, in Room 1507 of the State Capitol, Lincoln, Nebraska.

The following board members were present:

Scott Moore, Chairman;
John Dale;
Don Dunlap, representing the Auditor of Public Accounts;
David Heineman;
Robert Luth;
Yvonne Norton Leung, representing the Governor;
Donald Stenberg.

Not present due to failure of the video conferencing system were:

Jeff Funk;
Terry Harder;
Craig Schroeder;
Mark Sutko.

Not present was:

Jeanne Raznick;

The minutes of the meeting of November 10, 1997, were considered. Ms. Norton Leung moved that the minutes be approved as circulated; motion seconded by Mr. Dunlap.

Voting For:	Dale Moore	Dunlap Norton Leung	Heineman Stenberg	Luth
Voting Against:	None			
Absent:	Funk Sutko	Harder	Raznick	Schroeder

The motion carried.

Greg Lemon, Deputy Secretary of State, presented a sample letter sent to state agencies requiring a hearing to renew their contracts for fee based electronic access, and two tables: Table 1: Fee-based electronic access services which require a hearing and new contract before January 31, 1998; and Table 2: Fee-based electronic services which require legislative approval within one year.

Mark Sutko and Terry Harder joined the meeting via video conference from Kearney. Jeff Funk joined the meeting via video conference from Grand Island. Craig Schroeder joined the meeting via video conference from North Platte.

The Chairman opened discussion of the proposed Contract for Network Manager Services (December 1, 1997 edition) as had been negotiated by the subcommittee of Chairman Moore, Mr. Heineman, and Mr. Sutko. Mr. Heineman moved to adopt the contract as negotiated; motion seconded by Mr. Sutko.

Mr. Stenberg moved to amend the Heineman motion and to amend the proposed contract page 10, item b., to read as follows:

b. NSRB will receive 4.5% of Gross Profit (Gross Revenue less Internet and 800 service costs and amounts remitted to state agencies other than the NSRB) of the first \$89,900 and 2% on any Gross Profit over that amount, computed and payable monthly.

The motion was seconded by Mr. Heineman.

Voting for:	Dale	Dunlap	Funk	Harder
	Heineman	Luth	Moore	Norton Leung
	Schroeder	Stenberg	Sutko	

Voting Against: None

Absent: Raznick

The motion to amend carried.

Mr. Stenberg moved to further amend the Heineman motion and to amend the proposed contract page 10, item c., to read as follows:

c. NII shall be entitled to retain all revenue generated from subscription fees and connect time charges, and shall be paid the revenue generated from electronic access fees for currently existing services, after payment of the fees specified in the respective DP/CE agreements, payments specified in paragraph b. above, and all other network operating costs. Revenue from electronic access fees for new services shall be divided as agreed upon at the time the NSRB approves the fees for services.

The motion was seconded by Mr. Heineman.

Voting for:	Dale	Dunlap	Funk	Harder
	Heineman	Luth	Moore	Norton Leung
	Schroeder	Stenberg	Sutko	

Voting Against: None

Absent: Raznick

The motion to amend carried.

Mr. Stenberg moved to further amend the Heineman motion and to amend the proposed contract page 15, section 16., second paragraph, to read as follows:

NSRB may terminate this Contract at any time and without cause if directed to do so by statute; if there is a substantial cessation of Network services by NII; failure of appropriation by the Legislature as found in section 5.6 of the RFP (SCA-0099); or if there is a repeal of the NSRB enabling statutes unless other statutory provisions allow continuation of the Network.

The motion was seconded by Ms. Norton Leung.

Voting for:	Dale Heineman Schroeder	Dunlap Luth Stenberg	Funk Moore Sutko	Harder Norton Leung
Voting Against:	None			
Absent:	Raznick			

The motion to amend carried.

Mr. Luth moved to further amend the Heineman motion and to amend the proposed contract by adding to section 9., the following new paragraph:

On an annual basis, NII will provide audited financial statements to the NSRB.

The motion was seconded by Mr. Dunlap.

Voting for:	Dale Heineman Schroeder	Dunlap Luth Stenberg	Funk Moore Sutko	Harder Norton Leung
Voting Against:	None			
Absent:	Raznick			

The motion to amend carried.

The board considered the Heineman motion to adopt the proposed contract, as amended by the three Stenberg motions and the Luth motion.

Voting for:	Dale Heineman Schroeder	Dunlap Luth Stenberg	Funk Moore Sutko	Harder Norton Leung
Voting Against:	None			
Absent:	Raznick			

The motion to adopt the proposed contract as amended carried.

Chairman Moore announced that he would sign the final contract on behalf of the board.

Mr. Lemon indicated that he would provide language for LB590 cleanup legislation at the next board meeting. The agenda for the next meeting will include the Information Resources Council, agency hearings on fee-based access, and language for cleanup legislation.

Chairman Moore announced that the next board meeting will be at 9:00 A.M., December 17, 1997.

Ms. Norton Leung moved that the meeting be adjourned; motion seconded by Mr. Heineman.

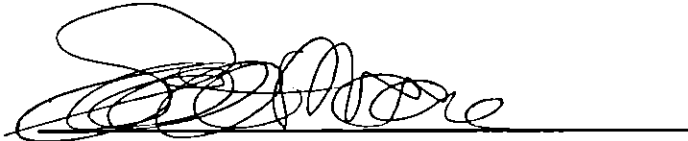
Voting for:	Dale	Dunlap	Funk	Harder
	Heineman	Luth	Moore	Norton Leung
	Schroeder	Stenberg	Sutko	

Voting Against: None

Absent: Raznick

The motion carried.

The chairman declared the meeting adjourned at 2:36 P.M.



Scott Moore
Chairman
State Records Board



STATE *of* NEBRASKA
EXECUTIVE OFFICE
LINCOLN

EXECUTIVE ORDER
97-7

WHEREAS, capitalizing on opportunities presented by the Information Age requires a statewide vision and strategic plan for information technology, a process to integrate widely distributed decision-making, and a clearinghouse for technical support and best practices information; and

WHEREAS, the State of Nebraska has a need to provide proper organizational and support structures to ensure cost-effective investments in information technology; and


WHEREAS, a Commission of Government, Education, and Community private sector individuals should be formed to provide direction and guidance in the area of allocating state resources for information technology infrastructure, and to develop a statewide vision and strategic information technology plan, and to present recommendations to the Governor and Legislature, as well as to provide assistance in setting statewide standards and guidelines,

NOW, THEREFORE, I, E. Benjamin Nelson, Governor of the State of Nebraska, do hereby issue the following Executive Order:

1. The Nebraska Information Technology Commission is hereby created. Membership of the Commission shall include but not be limited to, the following:
 - (a) One member representing Elementary and Secondary Education;
 - (b) One member representing Postsecondary Education;
 - (c) One member representing State Government;
 - (d) One member representing Nebraska Communities; and
 - (e) Five members of the general public with experience in developing strategic plans and making high-level business decisions regarding information technology.
2. The Governor, or a designee serving at the pleasure of the Governor, shall serve as Chair of the Commission.

3. The Commission shall be assisted in its work by councils representing education, government and communities. The purpose of the councils is to identify, prioritize and coordinate user needs. Council members shall be designated by and serve at the pleasure of the Governor. The Commission shall designate a technical support panel to assist the Commission and the councils with respect to technical issues.
4. The Nebraska Information Technology Commission shall be assigned the task of developing recommendations to the Governor and the Legislature on the following:
 - (a) a statewide vision for information technology for the State of Nebraska;
 - (b) a statewide strategic plan to assist in successfully achieving the statewide vision; and
 - (c) criteria for allocating state resources.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the Great Seal of the State of Nebraska to be affixed this 19th day of November, in the year of our Lord one thousand nine hundred and ninety-seven.


E. Benjamin Nelson
Governor

Attest:


Scott Moore
Secretary of State





FROM THE OFFICE OF GOVERNOR E. BENJAMIN NELSON

NEWS RELEASE

State Capitol, P.O. Box 94848, Lincoln, Nebraska 68509-4848, Phone (402) 471-2244

FOR IMMEDIATE RELEASE:
November 19, 1997

FOR MORE INFORMATION:
Karl Bieber, James Joyce

NELSON APPOINTS TECHNOLOGY INFORMATION COMMISSION

Lincoln -- Governor Ben Nelson announced today the creation of the Nebraska Information Technology Commission .

The 9-member commission has been given the charge of helping assure that the Governor, Legislature and others involved in making decisions on where to spend taxpayer dollars on information system tools have the best information available for making the right decisions.

"The Information Age has brought us a lot of wonderful things, from distance learning opportunities to faster ways of doing things. But as with any revolutionary new technological development it has the potential to overwhelm us with problems and more than necessary costs. The job of the Nebraska Information Technology Commission is to help assure that we are in control of the technology and not the other way round," said Nelson.

"Nebraska is blessed with one of the most robust telecommunications infrastructures in the country. But we have discovered that incompatible and duplicate systems exist, which means we are not using tax dollars as wisely as we should," he said.

Appointed to the commission were:

- *Lt. Governor Kim Robak, who will chair the commission.
- *U.S. Senator Bob Kerrey.
- *University of Nebraska President L. Dennis Smith.
- *State Education Commissioner Doug Christiansen.
- *Eric Brown, general manager of KRVN radio in Lexington.
- *Greg Adams, mayor of York.
- *Gary Kuck of Lincoln, President and CEO of Centurion International.
- *Joyce Wrenn, chief information officer, Union Pacific Railroad.
- *To be named later.

Created by Executive Order, the commission is the result of a recommendation by Robak who was asked by Nelson last March to study the matter of improving technology coordination and make recommendations to him.

(more)

November 19, 1997

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One of the recommendations was establishment of the NITC to provide high-level strategic direction and recommendations to the Governor and the Legislature.

The commission is one part of an overall strategy, called the Nebraska Technology Coordination Initiative, that is also an element of Governor Nelson's Success 2000. The initiative also includes the creation of three councils to identify needs in the areas of education, government and communities.

The Education Council will represent the K-12 and post secondary communities. The Government Council will represent all levels and branches of state government. The Community Council will represent local community, health care, library and economic development constituencies.

"State and local governments, schools and communities are making multi-million dollar technology decisions, sometimes in a vacuum. We need to do a better job of informing each other and ourselves as these decisions are made. That is the fundamental challenge we are attempting to address," said Robak.

Senator Kerrey, who has long had an interest in the subject, praised Nelson and Robak for their foresight in creating the commission and suggested it will go a long way to enabling Nebraska to capitalize on the full potential of information technology.

"The market is producing incredible innovations in information technology, but it's up to us to decide how we can harness that technology to build a better Nebraska. This commission's job will be to make sure all Nebraskans are on the cutting edge of the information revolution, and I salute Governor Nelson and Lt. Governor Robak for their leadership," said Kerrey.

According to York mayor Greg Adams, the challenge of the Information Age is no different than the challenges of managing a city's growth.

"It has to be well planned and well managed. Growth cannot be random and chaotic. With information technology, I doubt that at this point anybody truly has a handle on where it's going. But I do know all of us need to do the best we can to plan for the changes that are coming, and in some cases are already here, so we can control it and not have it control us," said Adams.

NEBRASKA INFORMATION TECHNOLOGY COMMISSION

Purpose

The Nebraska Information Technology Commission shall establish the vision and goals to guide the development and use of information technology infrastructure in Nebraska. The Commission will set policy to create an environment and an infrastructure that will meet the needs of the users in the most efficient and effective manner possible. The Commission will focus on realizing and creating the most value from public and private investment in information technology infrastructure.

Membership

Commission members are appointed by the Governor and approved by the Legislature.

Membership is defined by:

- one representative of state government;
- one representative of higher education;
- one representative of elementary and secondary education;
- one representative of Nebraska communities;
- five representatives of private businesses or organizations who are major users of information technology.

Powers and Duties

Powers and duties of the Nebraska Information Technology Commission include the responsibility to:

- set policy and procedures used to develop, review and annually update a statewide technology plan;
- create an "information clearing-house" to identify and share best practices and new development, as well as identify existing problems and deficiencies;
- set policies to guide public and private investments in information technology infrastructure;
- determine a broad strategy and objectives for developing and sustaining information technology and infrastructure development in Nebraska, including long-range funding strategies, user fees, research and development investment, support and maintenance requirements, and system usage and assessment guidelines;
- provide recommendations regarding standards and guidelines, project planning and management, information sharing strategies, administrative and technical review procedures involving state-owned technology and infrastructure;
- establish ad-hoc technical advisory groups to study and make recommendations on specific topics;
- establish a strategic and project planning process for information technology that is complimentary to and consistent with the state budget process;
- provide direct assistance to the State Budget Administrator and Legislative Fiscal Analysts in evaluating technology-related budget requests;
- make recommendations on infrastructure and technology investment to the Governor and the Legislature.

Staff Support

Administrative and technical review support for NITC will be provided by staff from the Department of Administrative Services (DAS) and Nebraska Educational Telecommunications (NET). The Director of DAS and the General Manager of NET will be empowered to allocate and request the budgetary and human resources necessary to provide the required assistance. They may also, on behalf of the NITC, request such technical and administrative assistance from other agencies and organizations as may be required.

Objectives

The NITC and support staff shall provide policies and procedures for the following:

- updating the state technology plan;
- management and administrative policies for reviewing technology requests;
- creating guidelines for statewide technical policies, standards and protocols;
- developing risk assessment procedures for technology requests;
- assessing current and planned network development and implementation;
- developing purchasing, RFP, RFI and bid guidelines for technology investment;
- establishing procedures and practices for maintaining an "information clearing-house";
- recommendations for the management of information and administrative coordination between the NITC, the Councils and the supporting administrative/technical review staff.

Purpose

The primary purpose of the Councils is to determine needs, set priorities and recommend actions for resolving technology-based issues and problems that confront Educational, Government and Community users. Each Council will provide a forum, responsive to needs of users, that encourages collaboration in making better use of technology. By focusing on the users who technology serves, rather than the technology itself, the Councils will provide the foundation for a needs-based approach to technology investment and development.

Membership

Three Steering Councils are envisioned. The Education Council will represent the elementary, secondary and post-secondary communities. The Government Council will represent all levels and branches of state government. The Community Council will represent local community, health care, library and economic development constituencies.

Recommendations concerning the representative make-up of the individual Councils will be forthcoming from the principal members and presented to the Nebraska Information Technology Commission.

Powers and Duties

Powers and duties of the Councils include:

- identifying opportunities, issues and problems in implementing advances in telecommunications at the user level;
- preparing a strategic plan to guide the work of each Council;
- monitoring and evaluating technology projects and programs;
- developing strategies for increasing understanding of technology usage and efficiencies;
- preparing procedures and guidelines to assist membership and users in developing technology plans;
- preparing guidelines and criteria for evaluating and prioritizing information technology projects;
- establishing such Councils, task forces or working groups as necessary and appropriate to advise and set guidelines on planning, training, programmatic development and collaborative strategies; multi-jurisdictional utilization procedures and priorities; and privacy and sensitivity issues.

Objectives

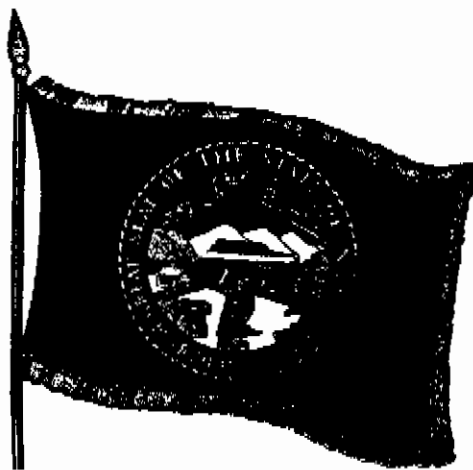
Each Council will be charged with developing and defining their operating and administrative procedures. All necessary resources, such as staff support and operating expenses, for Council business are expected to be absorbed and supported through existing membership resources.

Following the establishment of the Nebraska Information Technology Commission, each Council will be charged with setting up procedures and guidelines that will support the Councils' responsibilities to collect and evaluate user needs and requests. Such areas of assessment may include, but are not limited to:

- local technology needs;
- program development and usage;
- technology training and development guidelines and procedures;
- scheduling priorities and policies;
- processes for maintaining inventory of existing resources and infrastructure;
- and an evaluation of support and maintenance costs and requirements.

SCOTT MOORE
SECRETARY OF STATE

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STATE OF NEBRASKA

TO: Nebraska State Records Board Members

FROM: Scott Moore, Secretary of State

RE: Wednesday's Meeting

DATE: December 15, 1997

Enclosed please find the Department of Revenue's application for fee based electronic access to sales taxes permits and Department of Revenue forms. This request is primarily a continuation of current charges. Copies of the letter requesting a hearing, explanatory statement and proposed contract are enclosed, as is a revised agenda.

Please note that the contract included is the current contract DOR executed with the Library Commission, which was subsequently assigned to the Records Board. Suggested changes would be to substitute Nebraska State Records Board for Nebraska Library Commission where appropriate and add the following language to the addendum:

"Disbursement of Fees:

All revenue received pursuant to this addenda shall be deposited by the Network manager in the State Records Board Cash Fund pursuant to the provisions of the contract between the Nebraska State Records Board and Nebrask@ Interactive, Inc. and any addenda thereto and distributed back to NOL as provided above. "

STATE OF NEBRASKA

DEPARTMENT OF REVENUE
M. Berri Balka
Tax Commissioner



December 15, 1997

E. Benjamin Nelson
Governor

The Honorable Scott Moore
Secretary of State
Chairman, State Records Board
2300 State Capitol
Lincoln NE 68509

Dear Mr. Moore:

In response to your letter regarding electronic access to agency records, the Department of Revenue submits its request for approval to continue its contract for fee based access to records. A copy of the current agreement between the Department and the Nebraska Library Commission has been enclosed. I am asking the Board to ratify and extend the current agreement.

If you have any questions as you consider this request, please contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Berri Balka", written over a horizontal line.

M. Berri Balka
State Tax Commissioner

MBB:klw

Enclosure

REQUEST FOR APPROVAL TO CONTINUE TO PROVIDE ELECTRONIC ACCESS
TO SPECIFIED REVENUE DEPARTMENT RECORDS THROUGH
NEBRASK@ ONLINE FOR A FEE

In accordance with the Nebraska State Records Board Guidelines for Submission of Requests for Fee Based Electronic Access, the Department of Revenue presents the following information regarding its current plan of established access, hereby submitted for ratification, for specific Nebraska records on-line, provided that the requestor is willing to pay the required electronic access fee.

1. A COPY OF THE CONTRACT NOW IN EFFECT TO PROVIDE ELECTRONIC ACCESS THROUGH CONTRACTUAL AGREEMENT.

The current agreement is attached as Addendum Number One is an Interagency Agreement between the Nebraska Library Commission and the Nebraska Department of Revenue. The Department is asking this Board to ratify and extend the present agreement.

2. A DESCRIPTION OF THE PUBLIC RECORDS WHICH ARE THE SUBJECT OF THE CONTRACT OR PROPOSED ELECTRONIC ACCESS FEE.

The Department of Revenue records at issue contain the address and identification information of sales tax permit holders, sorted by month of issuance.

3. THE ANTICIPATED OR ACTUAL TIME LINE FOR IMPLEMENTATION.

This proposal is requesting ratification of the service as currently provided by Nebrask@ Online, in order to continue to allow controlled public access to the information identifying the holders of sales tax permits issued during the monthly processing cycle.

4. ANY SECURITY PROVISIONS FOR THE PROTECTION OF CONFIDENTIAL OR SENSITIVE RECORDS.

The information is deemed to be public information, in that holders of sales tax permits are required by law to publicly display the permits at their business locations. By requiring any person requesting said information to be a subscriber to the Nebrask@ Online network, it will be possible to identify those persons having had access to the information in the event of an improper use of the requested information.

5. THE FEE AND DISTRIBUTION OF THE FEE FOR ELECTRONIC ACCESS.

The fees to be charged for electronic access to records are listed in the attached Addendum Number One, an Interagency Agreement between the Nebraska Library Commission and the Department of Revenue. The current distribution of those fees is also set forth in the agreement.

6. HOW FEES AND SPLITS CONTAINED IN THE PROPOSAL WERE DETERMINED.

The prices of "premium services" offered via Nebrask@ Online are based upon what is reasonable, what the marketplace will accept and what will be viewed as fair vs. the specific cost of providing the particular service, and a markup. This marketing approach is taken because it is the cost of providing public information, where most of the information is offered without charge and is necessary to offset a portion of the cost of maintaining this information that would otherwise not be available in this form with the payment of regular computer charges necessary to produce monthly information in the format offered via the Nebrask@ Online network.

The Nebraska Department of Revenue does not split the indicated fee, but does secure significant cost savings by not incurring the costs which would be necessary to maintain the data in a format not required for the collection of sales tax revenues.

7. THE COST OF PROVIDING ELECTRONIC ACCESS AND HOW THAT COST IS COMPUTED.

A discussion of how the cost of providing electronic access is computed is contained in the preceding paragraph.

INTERAGENCY AGREEMENT
between the
NEBRASKA DEPARTMENT OF REVENUE
and the
NEBRASKA LIBRARY COMMISSION

This Interagency agreement is made by and between the Nebraska Department of Revenue (hereinafter "Department of Revenue" or "Department"), and the Nebraska Library Commission (hereinafter "Nebraska Library Commission" or "NLC"), to provide access to the Department of Revenue's electronic data files on Nebrask@ Online, an electronic data service operated by the Nebraska Library Commission for the State of Nebraska through a contractual arrangement with a private network manager.

WHEREAS, Department maintains certain electronic data in computer databases, which data is available to the general public under certain circumstances; and

WHEREAS, Department currently has data residing on the state mainframe computer and/or on its internal Local Area Network which is public and of interest to the public; and

WHEREAS, NLC desires to have access to the Department's data records at both locations, if data records are available at both locations, for the purpose of providing such access to Nebraska citizens and businesses who subscribe to Nebrask@ Online; and

WHEREAS, it is also contemplated by the parties that provision of electronic access through Nebrask@ Online will provide a material benefit to the Department, to Nebraska citizens and businesses, will improve access to information and will decrease the need for Department personnel to be involved in giving out this information by telephone or in person;

NOW THEREFORE, in consideration of the mutual conditions, covenants and promises contained in this Agreement, the parties agree as follows:

SECTION 1: Statement of Purpose.

The purpose of this agreement is to define circumstances, responsibilities, and compensation relating to providing Nebrask@ Online with on-line computer access to certain data records at the Department's discretion, maintained in electronic form by the Department.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*

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SECTION 2: Term of Agreement.

This Agreement shall be in full force and effect for a period of one year after the date it is fully signed. Thereafter, this Agreement shall continue for successive monthly periods upon the same terms, provisions and conditions as provided herein excepting that at either party's option, this Agreement may be terminated at any time after the original term of this Agreement, upon thirty (30) days advance written notice to the other party.

SECTION 3: Definition of Terms.

1. Data records- facts maintained in electronic form for communication or processing.
2. Nebrask@ Online subscribers- individuals or organizations who use Nebrask@ Online for computer assisted research.
3. Client department- a Department section or unit serviced by Department's internal computer section, and whose data files are available to external agencies.
4. Public Record Data- Data records which are considered public records under state or federal law.

SECTION 4: Department Responsibilities.

1. Client departments will:
 - a. When requested, help in interpreting the meaning of data, provide input on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by Department, but only if desired by Nebrask@ Online subscribers.
 - b. In the absence of a central Department data or computer department or service, perform those duties and responsibilities outlined in subparagraph 2 of SECTION 4.
2. The Department Information Systems Division will:
 - a. When requested, help in interpreting the meaning of data, provide advice on display screen designs when consulted, and cooperate with Nebrask@ Online in placing data records onto Nebrask@ Online as permitted by the Department, but only if desired by Nebrask@ Online subscribers.
 - b. Provide computer access to Department data records as permitted by the Department, subject to interruption of service pursuant to SECTION 10.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*
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- c. Provide acceptable response time within limitations of budget constraints.
- d. Provide reasonable levels of problem determination support to help isolate problems when requested, and if the problem resides on the Department's end of the system, provide reasonable fixes or repairs.
- e. Have final control and responsibility for security authorization of Nebrask@ Online (in cooperation with any Client departments) in granting access to its data.

3. Department will:

- a. Oversee the timely and effective performance of this Agreement from the Department's perspective, and assist Nebrask@ Online in resolving constructively any problems thereunder and any new issues that arise in connection therewith.
- b. Provide reasonable levels of support to any central Department data or computer department or service; and to any Client department, in placing Department data records on-line with Nebrask@ Online, to the extent permitted by Nebraska Department, but only if desired by subscribers to Nebrask@ Online.

SECTION 5: NLC responsibilities.

1. NLC agrees:

- a. To recognize that authorized on-line access provides no right to possession or ownership of data records at any time.
- b. To take all reasonable precautions to protect against unauthorized access to Department's data records.
- c. To provide reasonable programming, software, hardware, supplies and startup costs (programming and computer access) necessary to establish electronic access to Department data records.
- d. To abide by Department's regulations policies and procedures which may now be in force or effect or which may in the future become effective.
- e. To recognize there is no express or implied ownership of Department's equipment by the payment of any fee or charge to the Department.
- f. To provide reasonable reporting that accurately reflects usage associated with access to Department data records by Nebrask@ Online Subscribers.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*
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g. To keep such records as are required to document usage associated with providing access to Department's electronic database and to provide Department access to these records at reasonable times for auditing purposes if so requested by Department.

h. To cooperate with Department and Client departments in placing data records onto Nebrask@ Online as permitted by Department but only if desired by Nebrask@ Online subscribers, including securing proper access from the appropriate authority for, and providing necessary security to, each type of data records desired.

SECTION 6: Billing, Payment and Rates for Services.

NLC shall cause the network manager to remit fees for Department data records accessed through Nebrask@ Online as set forth in an addendum to this Agreement. Reimbursement to Department for specific items of information in the Department database shall be equal to statutory fees for such information where applicable. Payment shall be made to Department by the last working day of the month following the month in which access was electronically requested by Nebrask@ Online Subscribers. A summary page detailing fee generating transactions per month and the amount of payment by Nebrask@ Online to Department will accompany payment.

Rates for services shall be set by Department and Nebrask@ Online and may be adjusted from time to time to cover the entire cost of providing service to Nebrask@ Online. Rates set shall continue in effect until modified by mutual agreement of Department and Nebrask@ Online.

SECTION 7: Illegal Provisions.

If any provision of this Agreement shall be declared to be illegal, void or unenforceable by a court of competent jurisdiction, the other provisions shall not be affected but shall remain in full force and effect.

SECTION 8: Termination.

At Department's option, this Agreement may be terminated immediately upon the occurrence of any of the following:

1. NLC's failure to indemnify Department pursuant to SECTION 9 of this Agreement.
2. NLC's non-payment in violation of SECTION 6 of this Agreement.
3. NLC's allowance of unauthorized access prohibited by this Agreement.
4. NLC's material breach of any term, provision or condition of this Agreement.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*

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5. Department's determination that resources devoted to providing access to Nebrask@ Online are required by Department for its internal operation.

At either party's option, this Agreement may be terminated at any time after the original term of this Agreement upon thirty (30) days written notice to the other party.

SECTION 9: Indemnification and Hold Harmless Provisions.

NLC hereby relieves, releases, indemnifies and holds harmless Department, its officers, agents, employees, and departments, from liability for any and all damages resulting from incorrect or misinterpretation of data which occurs in transmission or as a result of any interface or coding performed by Nebrask@ Online (but not from any liability which would otherwise accrue against Department by reason of inaccuracies or misinterpretations residing on Department's own data records) and for any other liability asserted against Department arising from Nebrask@ Online's operations.

SECTION 10: Interruption of Service.

Department shall use its best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, Department shall not be liable for interruption of service when the same shall be due to circumstances beyond the control of Department, its agents, servants, or employees, including but not limited to unanticipated equipment malfunction or periodic maintenance or update of the computer system or systems upon which such data records reside.

SECTION 11: Assignment.

This agreement may not be assigned by NLC without the prior written consent of Department and any such assignment of this Agreement without such permission shall be null and void.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*

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SECTION 12: Notices.

All notices shall be in writing and shall be directed to the parties to this Agreement as shown below:

To NLC: Mr. Samuel R. D. Somerhalder
Network Manager
Nebrask@ Online
1221 "N" St., Suite 303
Lincoln, NE 68508

To Department of Revenue: Mr. Clint Schaeffer, Administrator
Department of Revenue, State of Nebraska
Information Systems Division
P.O. Box 94818
Lincoln, NE 68508-4818

SECTION 13: Data Records To Be Accessed.

The data records to be accessed shall be set forth by separate addendum to this Agreement.

SECTION 14: Construction.

This Agreement shall be construed in accordance with the laws of the State of Nebraska.

SECTION 15: Paragraph headings.

The paragraph headings are inserted in this Agreement for convenience only and shall not be used in interpreting this Agreement.

*Interagency Agreement between Nebraska Department of Revenue
and the Nebraska Library Commission*
p.7

SECTION 16: Total agreement.

This agreement constitutes the complete and exclusive statement of the agreement between the parties hereto. No amendment, waiver or alteration of this Agreement shall be effective unless signed by an authorized officer of each of the parties to this Agreement. Neither Department nor NLC shall be bound by any oral agreement or representation.

IN WITNESS TO THEIR AGREEMENT TO ALL THE ABOVE AND FOREGOING, the parties hereto have executed this Agreement the day and year below written.

"Department"
Nebraska Department of Revenue

by Charles E. Schep
Authorized Officer

Date 1-27-96

"NLC"
Nebraska Library Commission

by Robert G. Wagner
Authorized Officer

Date 2-7-96

Addendum One
to the
Interagency Agreement Between
Nebraska Department of Revenue
and
Nebraska Library Commission

This Addendum One to the Interagency Agreement between the Nebraska Department of Revenue and the Nebraska Library Commission sets forth certain services provided by the Nebraska Department of Revenue, which will be provided by Nebrask@ Online (operated under the auspices and authority of the Nebraska Library Commission), the prices (P) to be charged for such Nebrask@ Online services, how the revenue from such Nebrask@ Online services is to be divided between Nebraska Department of Revenue (RDOR) and Nebrask@ Online(RNOL), and subscription transaction and connect time charges by Nebrask@ Online to Nebraska Department of Revenue.

This Addendum One covers only interactive services described below. It is contemplated that additional future addenda will cover other services which are currently provided by the Nebraska Department of Revenue.

Data Records to be Accessed:

Service	P	RDOR	RNOL
Rulings	No Charge		
Regulations	No Charge		
Statutes (Chapter 77)	No Charge		
New Permit/license holders	\$5.50	\$0.00	\$5.50
Tax Forms	\$3.00 per book	\$0.00	\$3.00
	\$0.25 per form		\$0.25
Newsletter	No Charge		

Addendum One to the Interagency Agreement Between
Nebraska Department of Revenue and the Nebraska Library Commission
Page 2

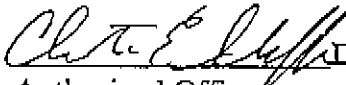
Subscription, Transaction and Connect Time Charges for Nebraska Department of Revenue:

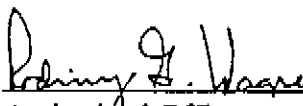
The NLC shall also require that the network manager for Nebrask@ Online provide not more than five user IDs for Nebraska Department of Revenue allowing direct access to Nebraska Department of Revenue data records as displayed on Nebrask@ Online for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules and regulations, or policies and procedures pertaining to the records.

Subscription Charges: Nebrask@ Online shall waive the \$50.00 annual subscription fee for Department of Revenue access.

Transaction Charges: Nebrask@ Online shall waive transaction fees for Nebraska Department of Revenue services as they are added. All other transactions charges apply.

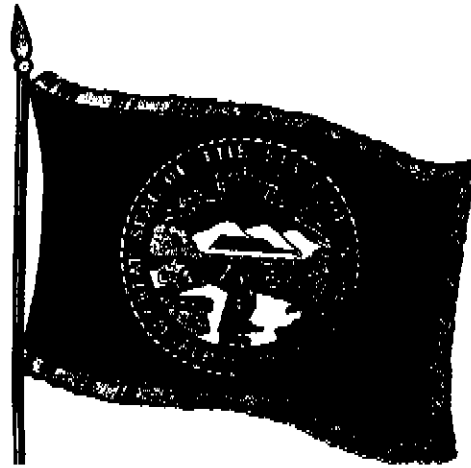
Connect Time Charges: Nebrask@ Online shall waive all connect time charges for Nebraska Department of Revenue access.

 Date 1-24-96
Authorized Officer
Nebraska Department of Revenue

 Date 2-7-96
Authorized Officer
Nebraska Library Commission

SCOTT MOORE
SECRETARY OF STATE

SUITE 2300 CAPITOL BUILDING
LINCOLN NEBRASKA 68509-4608
PHONE (402) 471-2554
FAX (402) 471-3237
sosadmin@sos.state.ne.us



STATE OF NEBRASKA

December 11, 1997

State Records Board Members
Suite 2300
State Capitol
Lincoln, NE 68509

Dear Records Board Member:

I am writing this letter to formally request a hearing of the Board pursuant to Neb. Rev. Stat. §84-1205.03 to approve electronic access fees to data residing in the office of the Secretary of State. The fees would be established for information in the Secretary of State's Corporation and Uniform Commercial Code Divisions' databases.

LB590 established statutory electronic access fees for Uniform Commercial Code and Effective Finance Statement name searches. In addition to these searches the Secretary of State's Office has been offering, through Nebrask@ Online, interactive corporate information for a fee and UCC and Corporate batch information for a fee. The proposed fees are the same as those Nebrask@ Online has been charging for this type of information for over a year and a half. The attached proposal will provide detail of the specific fees and types of information to be offered.

Respectfully Submitted for Your Consideration,

A handwritten signature in black ink, appearing to read "Scott Moore", is written over a horizontal line.

Scott Moore
Secretary of State



STATE OF NEBRASKA

REQUEST FOR APPROVAL TO ESTABLISH ELECTRONIC ACCESS FEES FOR SECRETARY OF STATE CORPORATE AND UNIFORM COMMERCIAL CODE RECORDS

Pursuant to Neb. Rev. Stat. §84-1205.03 and the *Nebraska State Records Board Guidelines for Submission of Requests for Fee Based Electronic Access*, the following information is submitted regarding the Secretary of State's request to the Board for fee based electronic access to Corporate and Uniform Commercial Code Records.

1. A copy of the contract under consideration.

A copy of the proposed contract and addendum is enclosed

2. A description of the Public Records which are the subject of the proposed electronic access fee and the proposed fees and splits (combines #2 & 5 of State Records Board Guidelines).

Corporate Information

1. Interactive Corporate Status--Interactive corporate searches provide corporate information on an individual business entity basis. Information provided includes: corporate standing (whether the corporation is currently

properly registered with the state, all taxes paid etc.), registered agent name and address, date of incorporation and type of filings done with the Secretary of State's Office.

Fee: \$.75 (.25 Secretary of State, .50 NE Interactive)

2. Interactive Officers and Directors--Officer and director searches provide the names of officers and directors of a particular corporation. ****This is a new service which has not been offered before****

Fee: \$.75 (.25 Secretary of State, .50 NE Interactive)

3. Batch--Provides the same information as listed above on a special requests involving large numbers of corporations. Example-all businesses incorporated in Lancaster County on a monthly basis.

Fee: \$15.00 per 1000 names (50% Secretary of State, 50% NE Interactive)

4. Letter of Good Standing--A letter downloaded from the internet stating a specific corporation is currently properly registered and in good standing to do business in the state. Used for real estate closings, contract signing, etc.

Fee: \$6.50 (\$2.50 Secretary of State, \$4.00 NE Interactive)

Uniform Commercial Code Information

1. Batch--Provides financing statement information, debtor, secured party, collateral type and termination date for multiple requests. For example all liens on file where Firstbank is the secured party.

Fee: \$2.00 per (max \$2,000) (50% Secretary of State, 50% NE Interactive)

Corporate and Uniform Commercial Code Database

1. The entire contents of the Corporate and Uniform Commercial Code Databases including the items listed above on the batch and individual searches for each of the 55,000 plus business entities and the 350,000

plus liens filed in our office.

Fee: \$800 (\$400 Secretary of State, \$400 Nebrask@ Interactive)

3. The anticipated timeline for implementation

All the record types listed above are currently available electronically through Nebrask@ Online with the exception of the corporate officer and director information. If this request is approved all currently available data would continue to be available on an uninterrupted basis through and after January 31, 1998.

The Corporate officer and director information is anticipated to be made available in February or March of 1998.

4. Security Provisions

All information to be made available electronically is public record so there are no specific security or sensitivity concerns. All electronic access will be read only so it will not be possible to alter or destroy information currently residing in the Secretary of State's database.

5. The fee and distribution of the fee for electronic access.

See #2 above.

6. Explanation/Justification of the need for Electronic Access

Secretary of State Corporate and Uniform Commercial Code Information is used primarily by financial institutions, title companies and the legal community in verifying business status and liens on property at real estate and contract and loan closings. Electronic access allows immediate access to this information 24 hours a day seven days a week.

Batch information is sold to commercial information clearinghouses and business publications who repackage and resell or publish the data.

Electronic access is also another option for people to use when they need to access information during regular business hours if all lines are busy and shifts some the workload from Secretary of State personnel.

7. How fees and splits were determined

Proposed fees were determined through negotiation between the Secretary of State's Office and Nebrask@ Interactive, Inc., review of costs associated with offering the service, statutory provisions (if applicable), commercial value of the information and reasonableness of the fees.

Splits were determined by allocating money according to the resources required of Nebrask@ Interactive to make the information available and the work required by the Secretary of State to store, maintain and make data available.

On specific fees the \$.75 for interactive corporate status and officer and director searches was chosen to achieve two goals: 1) keep costs down to maximize the use of electronic searches and allow Secretary of State staff to respond to increasing workloads in other areas, and 2) allow cost recovery for Nebrask@ Interactive.

The \$6.50 cost for letters of good standing is was arrived at by considering the statutory fee of \$10.00 for a paper certificate from the Secretary of State's Office. The split, which differs from others in that the greater portion goes to Nebrask@ Interactive, Inc., is based on the fact that the letter development and transmission is primarily the responsibility of the network manager, and is based on only one data item (is the corporation in good standing?).

Corporate batch fees are based on keeping price to a minimum and cost recovery. The split is based on costs to Nebrask@ Interactive to make the information available and the cost to the Secretary of State's Office to maintain the database.

UCC batch fees are based upon the statutory fee then in effect at the time of

the negotiations of the original contract, also considering programming costs for special requests and placing a cap on costs due to efficiencies achieved by batch electronic processing.

The fee for the entire database is based upon the volume of information contained therein referenced in #2 above and the cost to the Secretary of State to update and maintain this database and the cost to Nebrask@ Interactive to import maintain and distribute the database. This information is sold to commercial resellers of information .

8. Any pertinent statutory provisions

Corporations interactive status and officer and director searches-- none

Corporate batch--none

Corporations letter of good standing--Nebrask Statutes provide a \$10 fee for paper certificates of good standing (Neb. Rev. Stat. §21-2005 (3)(b))

UCC Batch--Neb. Rev. Stat. §U9-411 provides for a fee of \$2.50 per filing requested and Neb. Rev. Stat. §52-1316 provides for a fee of \$2.50 per filing requested on Secretary of State EFS information.

Entire UCC and Corporate Database--none

General Provisions--Neb. Rev. Stat. §21-2005(3)(a) and 33-101 provides a one dollar per page fee for paper copies of records. Neb. Rev. Stat. §U9-415 provides the Secretary of State shall provide 24 hour a day seven day a week access to UCC lien information.

9. The cost for providing Electronic Access and how that cost is computed

To be provided by Nebrask@ Interactive, Inc.

10. Projected volume of activity

Projections are for activity to continue at current levels (see attached sheet for current levels of activity).

NEBRASKA ONLINE STATISTICAL INFORMATION - 1997

	NOV. '97	NOV. '96	YTD '97	YTD '96	% CHANGE
SUBSCRIBERS:					
Number of Accounts	577	472	577	472	22.2%
Number of Users	999	826	999	826	20.9%
PROCESSING VOLUMES:					
Batch DLR's	47,292	47,506	603,070	638,738	-5.6%
Interactive DLR's	8,775	2,491	84,024	23,873	252.0%
UCC Requests	1,060	886	11,700	8,296	41.0%
EFS Requests	193	166	2,040	1,548	31.8%
CORP Requests	242	249	2,771	1,633	69.7%
LTR of Good Standing	41	46	131	210	-37.6%
Batch UCC Customers(R)	4	4	44	41	NA
Batch UCC Customers(S)	1	0	4	3	NA
Batch EFS Customers(S)	0	1	1	2	NA
Batch CORP Customers(R)	3	3	33	35	NA
Batch CORP Customers(S)	6	0	42	0	NA
Appellate Court Req.	39	0	207	58	NA
Workers' Comp. Req.	0	1	7	12	NA
DED Manufacturers Directory	1	0	3	0	NA
DOR/Sales Tax Permits	6	1	34	10	NA
Interactive Time	18,301	29,028	281,522	338,173	-16.8%
Network Information Hits (Hits=Screens of Information)	449,837	147,440	3,616,263	544,792	563.8%

INTERAGENCY AGREEMENT
between the
OFFICE OF THE SECRETARY OF STATE
and the
NEBRASKA STATE RECORDS BOARD

PURPOSE OF AGREEMENT

This Interagency Agreement is made by and between the Nebraska Secretary of State (hereinafter "Secretary of State" or "SOS"), and the Nebraska State Records Board (hereinafter "Nebraska State Records Board" or "NSRB"), to provide access to the SOS's electronic data files on Nebrask@ Online, an electronic data service operated by the Nebraska State Records Board for the State of Nebraska through a contractual arrangement with a private network manager.

WHEREAS, the Secretary of State maintains certain electronic data in computer databases, which data is available to the general public under certain circumstances; and

WHEREAS, the Secretary of State currently has data residing on the state mainframe computer and/or on its internal Local Area Network which is public and of interest to the public; and

WHEREAS, NSRB desires to have access to the SOS's data records at both locations, if data records are available at both locations, for the purpose of providing such access to Nebraska citizens and businesses who subscribe to Nebrask@ Online; and

WHEREAS, it is also contemplated by the parties that provision of electronic access through Nebrask@ Online will provide a material benefit to the SOS, to Nebraska citizens and businesses, will improve access to information and will decrease the need for SOS personnel to be involved in giving out this information by telephone or in person;

NOW THEREFORE, in consideration of the mutual conditions, covenants and promises contained in this Agreement, the parties agree as follows:

TERMS OF THE AGREEMENT

Now, therefore, in consideration of the mutual undertakings and agreements set forth below, SOS and NSRB agree as follows:

- I. TERM.** This Agreement shall be in full force and effect for a period of one year after the date it is fully signed. Thereafter, this Agreement shall continue for successive monthly periods upon the same terms, provisions and conditions as provided herein excepting that at either party's option, this Agreement may be terminated at any time after the original term of this Agreement, upon thirty (30) days advance written notice to the other party.
- II. SCOPE.** SOS Shall provide continuous direct electronic access to the electronic data files of its divisions, including its Corporate and Uniform Commercial Code divisions, to NSRB for the purpose of making these SOS records available on the Nebrask@ Online electronic data access service. The scope of this agreement may be modified by addendum or amendment.
- III. ACCESS BY SOS TO ON-LINE DATABASE.** NSRB shall require that the network manager for Nebrask@ Online provide not more than three means of direct access to records as displayed on Nebrask@ Online for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules and regulations, or policies and procedures pertaining to the records until such time as the Secretary of State acquires the means to access records as displayed on Nebrask@ Online in its Corporate and Uniform Commercial Code Divisions. SOS understands that Nebrask@ Online provides 24 hour technical support and may refer interpretation inquiries to SOS. All network subscription costs, or costs associated with searching or interacting with records in the SOS database, or costs associated with auditing subscribers access to records in the SOS database shall be waived.
- IV. ACCESS TO SOS DATABASE BY OTHERS.** Nothing in this agreement shall preclude SOS from allowing other entities, public or private, current or future, access to the SOS database, except as further provided herein. SOS agrees not to market, or promote any electronic database access or services, including any in-house database services currently available except for Nebrask@ Online. SOS further agrees not to interfere with any efforts to market the Nebrask@ Online database service, and because as a member of the Nebraska State Records Board, which administers Nebrask@ Online, will refer customers to Nebrask@ Online when applicable. SOS understands and agrees that NSRB has the authority to make available these services and records on Nebrask@ Online, and that this network, as the state network should be considered as the primary entity to distribute these records. SOS shall not grant electronic access to any other entity on financial terms any more favorable than are contained in this agreement. "Electronic access" in this context shall mean and include batch, interactive, or tape services.

V. ACCESS TO SOS BY THE PUBLIC. Nothing in this agreement shall be construed to limit the public's non-electric access to SOS records as provided for by Nebraska law.

VI. BILLING, PAYMENT AND RATES FOR SERVICES.

NSRB shall cause the network manager to remit fees for SOS data records accessed through the Nebrask@ Online network manager as set forth in an addendum to this Agreement. Reimbursement to SOS for specific items of information in the SOS database shall be equal to statutory fees for such information where applicable. Payment shall be made to SOS by the last working day of the month following the month in which access was electronically requested by Nebrask@ Online Subscribers. A summary page detailing fee generating transactions per month and the amount of payment by Nebrask@ Online to SOS will accompany payment.

Rates for services shall be set by SOS, NSRB and the Nebrask@ Online network manager and may be adjusted from time to time to cover the entire cost of providing service to Nebrask@ Online. Rates set shall continue in effect until modified by mutual Agreement of SOS, NSRB and the Nebrask@ Online network manager.

VII. SUBSCRIBER AND TRANSACTION LOGS. SOS shall have terminal (read) access to computerized log of subscribers to the SOS database on the Nebrask@ Online network and their security status.

SOS shall have terminal (read) access to Nebrask@ Online's Subscriber Transaction Log for the purpose of auditing the dissemination of records. Unless otherwise requested this Log shall contain the following data: requester name, transaction date and time, type of inquiry, and access keys. SOS will be responsible for telecommunication line costs associated with this function; NSRB or its contractual Nebrask@ Online network manager shall be responsible for all other costs associated with this function.

VIII. RECORD SUPPLY COSTS AND COMPUTER PROGRAMS.

Nebrask@ Online shall be responsible for all line, mainframe and equipment expenses resulting from its access to SOS electronic data files, including the cost for purchasing or developing and maintaining all programs used to interface with SOS programs and to retrieve records. Such programs shall:

- a) protect records from unauthorized access;
- b) supply records to requesters in an understandable and logical format acceptable to SOS;

- c) provide accurate records, as maintained by SOS, on a timely basis;
- d) be subject to review and approval by SOS prior to its being offered to the public.

IX. CONTACT PERSON. Both parties to this agreement shall designate a contact person. All matters relating to the agreement shall be initially directed to the contact person so designated.

The contact person for the SOS shall be:

Greg Lemon
Deputy Secretary of State
Suite 2300, State Capitol
Lincoln, NE 68509
(402) 471-2554

The contact person for NSRB pertaining to this agreement shall be:

Samuel R. D. Somerhalder, Nebraska@ Online Network Manager
1221 N Street, Suite 303
Lincoln, NE 68508
(402) 471-7811

X. AMENDMENT OR ADDENDUM. This agreement may be modified by amendment or addendum at any time provided such amendment or addendum is executed in writing, signed, and approved by both parties or their duly authorized representatives.

XI. TERMINATION. At SOS's option, this Agreement may be terminated immediately upon the occurrence of any of the following:

1. NSRB's failure to indemnify SOS pursuant to SECTION VI of this Agreement.
2. NSRB's non-payment in violation of SECTION VII of this Agreement.
3. NSRB's allowance of unauthorized access prohibited by this Agreement.
4. NSRB's material breach of any term, provision or condition of this Agreement.

5. SOS's determination that resources devoted to providing access to Nebrask@ Online are required by SOS for its internal operation.

At either party's option, this Agreement may be terminated at any time after the original term of this Agreement upon thirty (30) days written notice to the other party.

XII. INDEMNIFICATION AND HOLD HARMLESS PROVISIONS.

NSRB hereby relieves, releases, indemnifies and holds harmless SOS, its officers, agents, employees, and departments, from liability for any and all damages resulting from incorrect or misinterpretation of data which occurs in transmission or as a result of any interface or coding performed by Nebrask@ Online (but not from any liability which would otherwise accrue against SOS by reason of inaccuracies or misinterpretations residing on SOS's own data records) and for any other liability asserted against SOS arising from Nebrask@ Online's operations.

XIII. INTERRUPTION OF SERVICE. SOS shall use its best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, SOS shall not be liable for interruption of service when the same shall be due to circumstances beyond the control of SOS, its agents, servants, or employees, including but not limited to unanticipated equipment malfunction or periodic maintenance or update of the computer system or systems upon which such data records reside.

XIV. ASSIGNMENT. This Agreement may not be assigned by NSRB without the prior written consent of SOS and any such assignment of this Agreement without such permission shall be null and void.

XV. ILLEGAL PROVISIONS. If any provision of this Agreement shall be declared to be illegal, void or unenforceable by a court of competent jurisdiction, the other provisions shall not be affected but shall remain in full force and effect.

XVI. DATA RECORDS TO BE ACCESSED. The data records to be accessed shall be set forth by separate addendum to this Agreement.

XVII. CONSTRUCTION. This Agreement shall be construed in accordance with the laws of the State of Nebraska.

XVIII. PARAGRAPH HEADINGS. The paragraph headings are inserted in this Agreement for convenience only and shall not be used in interpreting this Agreement.

XIX. TOTAL AGREEMENT

This Agreement constitutes the complete and exclusive statement of the Agreement between the parties hereto. No amendment, waiver or alteration of this Agreement shall be effective unless signed by an authorized officer of each of the parties to this Agreement. Neither SOS nor NSRB shall be bound by any oral Agreement or representation.

IN WITNESS TO THEIR Agreement TO ALL THE ABOVE AND FOREGOING, the parties hereto have executed this Agreement the day and year below written.

FOR THE SECRETARY OF STATE

FOR THE NEBRASKA STATE
RECORDS BOARD

Greg Lemon, Deputy Secretary of State

Scott Moore, Secretary of State,
Chairman, NSRB

2300 State Capital
Lincoln, NE 68509

1200 N Street
Lincoln, NE 68508

Date: _____ 19__

Date: _____ 19__

**Addendum One
to the
Interagency Agreement Between
Nebraska Secretary of State's Office
and
Nebraska State Records Board**

This Addendum One to the Interagency Agreement between Name and the Nebraska State Records Board sets forth certain services provided by Nebrask@ Online (operated under the auspices and authority of the Nebraska State Records Board), the prices (P) to be charged for such Nebrask@ Online services, how the revenue from such Nebrask@ Online services is to be divided between SOS (R/SOS) and Nebrask@ Online (R/NOL).

This Addendum One covers services described below. It is contemplated that additional future addenda will cover other services which are currently provided by the Name.

DATA RECORDS TO BE ACCESSED

Type of Data	P	R/SOS	R/NOL
Corporate Name/Status Check (Interactive)	\$.75	.25	.50
Corporate Officers and Directors(Interactive)	\$.75	.25	.50
Corporate Batch	\$15.00 per 1000 names	50%	50%
Corporate Letter of Good Standing	\$6.50	2.50	4.00
Uniform Commercial Code Interactive	\$2.50	1.50	1.00
Uniform Commercial Code Batch	\$2.00 per statement (\$2000 max)	50%	50%
EFS Interactive	\$2.50	1.50	1.00
EFS Batch	\$2.00 per statement (\$2000 max)	50%	50%
Corporate And UCC Database Service Monthly (entire database contents)	\$800.00	400.00	400.00

Disbursement of Fees:

All revenue received pursuant to this addenda shall be deposited by the Network manager

in the State Records Board Cash Fund pursuant to the provisions of the contract between the Nebraska State Records Board and Nebrask@ Interactive, Inc. and any addenda thereto and distributed back to SOS and NOL as provided above.

Internet Homepage:

NSRB shall require that the network manager act as SOS homepage server and make such information available over the internet as the Secretary of State shall chose to provide to the network manager in internet ready format.

Subscription, Transaction and Connect Time Charges for SOS:

The NSRB shall also require that the network manager for Nebrask@ Online provide not more than five user Ids for SOS allowing direct access to SOS data records as displayed on Nebrask@ Online for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules and regulations, or policies and procedures pertaining to the records.

Subscription Charges:

Nebrask@ Online shall waive the \$50.00 annual subscription fee for SOS access.

Transaction Charges:

Nebrask@ Online shall waive transaction fees for SOS access to their services as they are needed. All other transaction charges apply.

Connect Time Charges:

Nebrask@ Online shall waive all connect time charges for SOS

Date _____
Authorized Officer
Greg Lemon

Date _____
Authorized Officer
Nebraska State Records Board

LEGISLATURE OF NEBRASKA
NINETY-FIFTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL

Introduced by
Read first time
Committee:

A BILL

- 1 FOR AN ACT relating to the Uniform Commercial Code; to amend
- 2 sections 3-311 and 3-420, Uniform Commercial Code; to
- 3 change fee provisions; to harmonize provisions; and to
- 4 repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

Section 1. 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.

~~(2)~~ (2) There shall be a uniform fee, payable to the office at which inquiry is made, for any inquiries made by

1 telephone regarding information provided by the filing. Such fee
2 shall be one dollar per name and shall be in addition to any other
3 charge for services. Except as provided in subsection ~~(3)~~ (4) of
4 this section, there shall be no charge for actual inspection of any
5 public records kept by the filing officer.

6 ~~(3)~~ (4) There shall be no fee charged for actual
7 inspection of records of a filing kept by the Secretary of State
8 for the inspection of ten names or less per day by a single person.
9 There shall be a uniform fee, in addition to any other charge for
10 services payable to the Secretary of State, of one dollar per name
11 for each inspection in excess of ten names per day by a single
12 person.

13 ~~(4)~~ (5) The Secretary of State shall provide
14 twenty-four-hours-a-day seven-days-a-week service for inquiries
15 made by telephone or electronic means. The Secretary of State
16 shall provide a printed copy of filing information requested for a
17 fee of fifty cents per page.

18 Sec. 2. Section 9-420, Uniform Commercial Code, is
19 amended to read:

20 9-420. Uniform Commercial Code Cash Fund; created; use; Secretary
21 of State; furnish printers.

22 (1) There is hereby created the Uniform Commercial Code
23 Cash Fund. ~~*** Except as otherwise specifically provided, all~~
24 funds received pursuant to sections 9-403, 9-407, and 9-411,
25 Uniform Commercial Code, and sections 52-1312, 52-1313, 52-1316,
26 and 52-1602 shall be placed in the fund and used by the Secretary
27 of State to carry out subsection (2) of this section, sections

1 Section 1. Section 94-1205.02, Revised Statutes
2 Supplement, 1937, is amended to read:
3 94-1205.02. Except as provided in sections 52-1315 and
4 60-433 and section 9-411, Uniform Commercial Code, the board may
5 establish reasonable fees for electronic access to public records
6 through the gateway. The fees shall not exceed the statutory fee
7 for distribution of the public records in other forms. Any fee
8 established by the board under this section may be collected for a
9 one-year period and shall terminate at the end of the one-year
10 period ~~through the end of the next regular legislative session~~
11 ~~commencing after the establishment of the fee and shall terminate~~
12 ~~at the end of that legislative session~~ unless enacted by the
13 Legislature. Any fees collected under this section shall be
14 deposited in the Records Management Cash Fund.
15 Sec. 2. Original section 94-1205.02, Revised Statutes
16 Supplement, 1937, is repealed.

1 Section 1. Section 34-1205.02, Revised Statutes
2 Supplement, 1997, is amended to read:

3 34-1205.02. Except as provided in sections 52-1316 and
4 60-465 and section 9-411, Uniform Commercial Code, the board may
5 establish reasonable fees for electronic access to public records
6 through the gateway. The fees shall not exceed the statutory fee
7 for distribution of the public records in other forms. Any fee
8 established by the board under this section may be collected for ~~a~~
9 ~~one-year~~ ~~an eighteen-month~~ period and shall terminate at the end of
10 ~~the one-year~~ such period unless enacted by the Legislature. Any
11 fees collected under this section shall be deposited in the Records
12 Management Cash Fund.

13 Sec. 2. Original section 34-1205.02, Revised Statutes
14 Supplement, 1997, is repealed.

Chapter 60. Motor Vehicles.

Registrations; records; copy or extract provided; fee.

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.

may
The record of each vehicle registered or titled maintained by the department pursuant to this section shall be made available electronically to subscribers of the gateway or electronic network established under section 84-1204. The network manager shall charge a fee of one dollar per record for ~~interactive~~ access to individual records. The network manager shall provide listings of multiple vehicle title and/or registration records selected on the basis of criteria of the individual making the request for a fee of twenty-four dollars for every request under 2,000 records and a fee of twelve dollars per one thousand records for any number of records over 2,000, plus a reasonable programming fee. The State Records Board shall remit forty cents for each request for ~~interactive~~ access to an individual record that is processed by the network, nine dollars and sixty cents for every multiple record listing provided by the network containing under 2,000 records, and four dollars and eighty cents per one thousand records for every multiple record listing provided by the network containing more than 2,000 records to the department which shall be deposited into the Department of Motor Vehicles Cash Fund.

**GENERAL MANAGER'S REPORT
NEBRASK@ ONLINE
NOVEMBER, 1997**

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FINANCIAL REPORT
(NEBRASKA@ INTERACTIVE, INC.)

	1 MONTH ENDED <u>OCT. 31, 1997</u>	10 MONTHS ENDED <u>OCT. 31, 1997</u>
REVENUES	\$ 207,527	\$ 2,041,201
COST OF REVENUES:		
PAID TO STATE	139,243	1,365,843
OTHER	<u>4,876</u>	<u>59,552</u>
GROSS PROFIT	63,408	615,806
OPERATING EXPENSES	<u>43,300</u>	<u>480,925</u>
INCOME(LOSS) FROM OPERATIONS	20,108	134,881
OTHER INCOME(EXPENSE)	<u>1,041</u>	<u>(643)</u>
NET INCOME(LOSS)	\$ <u>21,149</u>	\$ <u>134,238</u>
VARIANCE FROM PLAN		\$ <u>18,387</u>

Revenue Contribution(Current Month)

.Dept. of Motor Vehicles(Batch) =	77.5%
.Dept. of Motor Vehicles(Inter) =	16.0%
.Sec. of State Services(Inter/Batch) =	4.4%
.Other (Agencies, Time, Subs., etc.) =	2.1%

Balance Sheet (10/31/97):

Current Assets	\$ 365,592	Current Liabilities	\$ 275,931
Fixed Assets	284,931	Long-Term Liabilities	0
Other Assets	<u>2,404</u>	Stockholders' Equity	<u>376,996</u>
	<u>\$ 652,927</u>		<u>\$ 652,927</u>

TECHNICAL PROJECT REPORT

Project	Programmer	Estimated Completion	Status
Nebraska Liquor Control Commission	Jeff	11-13-97	Completed
JUSTICE	Sam	Dec 96	Pending Approval
First Report - CICS	Sam	12-06-96	Pending Approval
Title, Lien & Reg Interactive	Sam	11-10-97	Pending Approval
Title, Lien & Reg Special Requests	Sam	11-20-97	Pending Approval
Local UCC Database	Ben	4th Qtr 97	In-Progress (95%)
Netscape Enterprise 3.0 Upgrade	Ben	01-01-98	In-Progress (90%)
LDAP Server Install	Ben	01-01-98	In-Progress (90%)
Request for Copies	Sam	4th Qtr 97	In-Progress (90%)
Nebraska Bankers Association Search	Sam	12-15-97	In-Progress (80%)
Disaster Recovery Plan	Sam	4th Qtr 97	In-Progress (55%)
Nebraska LEAD Alumni Site	Jeff	11-15-97	In-Progress (45%)
Customer Database/Utilities	Ben		On Going
NSBA Updates	Sam		On Going
PSC Updates	Ben		On Going
NCLE Updates	Sam		On Going
Product Support	All		On Going
Board of Public Accountancy	All	'97	On-Hold (50%)

Nebraska Liquor Control Commission: We have helped the Nebraska Liquor Control Commission convert many of their forms and pamphlets to HTML and PDF. You can also order various forms online and search their database of current liquor licenses. We have also created an 'intranet-like' application which allows the Commission to make additions and updates to their online database via a web form.

JUSTICE: We are hopefully in the final approval stage for the JUSTICE project. It should be the fourth quarter of the year before we implement this service. All five services have been completed. Key service and search items are listed along with their individual status below.

- **Case Inquiries** - Includes the General Index which allows the user to select a set of cases based on search criteria. After cases are selected, a case inquiry produces a report on each case. The format varies for different case types.
- **Judgment Inquiries** - This includes the judgment index, which allows the user to select cases which have judgments. There will probably also be a link from the case inquiry report.
- **Associated Case Information** - Includes associated parties, balances due, documents related to a case, and inheritance tax information. These items will probably be linked from the main case inquiry report.
- **Probate** - Includes an index into the wills and inquires about selected wills. Claimants and amounts against an estate are included.
- **Bonds** - Includes bond inquires and lists of all bonds associated with a case.

First Report - CICS We have completed the Workers' Compensation Court First Report CICS interface. It is currently waiting for approval from the Workers' Compensation Court. The First Report system allows users access to Workers' Compensation Court First Report filings by searching on case number, name, date and social security number. The First Report database includes a single first report (form 1) and multiple compensation and expense reports (form 4) for each case selected.

Title, Lien & Reg Interactive The DMV Interactive Title, Lien and Registration application has been completed and we are meeting with the Department of Motor Vehicles 12/01/97 for a demo. If all goes well and there are no changes that need to be made the service will be available immediately.

Title, Lien & Reg Special Requests We have completed work on the DMV Title Lien and Registration special requests application. This service will allow customers to get information about TLR based on different criteria such as registration date, county, etc. We are meeting with the Department of Motor Vehicles 12/01/97 for a demo and if all goes well and there are no changes that need to be made the service will be available immediately.

Local UCC Database: We are continuing to work on establishing a local copy (on NOL's server) of the UCC database which will be kept current via nightly updates. The local UCC database will be invaluable in improving and enhancing current UCC services. We need to ensure ourselves we will be able to maintain an accurate database using the nightly updates. We are still working out a few special case scenarios.

Requests for Copies: This service will allow Nebrask@ Online customers to order copies of documents from the Secretary of State. Requests for copies will be passed along to the Secretary of State's office via a new electronic mail program. We expect to make the service available in the fourth quarter of '97.

Disaster Recovery Plan: We are currently working on creating a comprehensive disaster recovery plan. As a part of this, we are identifying key points of potential failure and are formalizing backup plans of operation, including a step by step sequence of equipment and services that need to be ordered, along with contact information and approximate order times.

Nebraska LEAD Alumni Site We have started working with the Nebraska LEAD Alumni Association to get their site up and running. We have made their membership database available online and are in the process of merging their member database with a database containing their legislative district information. They also want to be able to make updates online to the database.

Netscape Enterprise 3.0 Upgrade We have installed the new Netscape 3.0 Enterprise Server (Web server) and are starting to evaluate the benefits of this upgrade. We hope to finish evaluation and move the new server into production after the first of the year.

LDAP Server Install The University of Michigan's Lightweight Directory Access Protocol (LDAP) package will be used in conjunction with the new Netscape Enterprise 3.0 server.

Nebraska Bankers Association Search We are in the process of setting up a search form for the Nebraska Bankers' Association Web Site. Do to a lack of appropriate tools available we have decided to create a web indexing product ourselves. This should be finished in the first half of December.

Customer Database/Utilities We are always trying to improve the Customer Database and related internal and customer utilities. In this recent set of changes we have made changes that will allow for easier and faster reporting of customer billing information and internal reporting. These changes will also allow for better control of access to various information provided by state agencies and associations.

NSBA Updates We have updated the NSBA membership database to the most current version available from the Bar Association.

PSC Updates We have converted several more documents for the Public Service Commission so that they can be made available via their homepage.

NCLE Updates We have written new scripts for the new NCLE site which has been updated by the NCLE staff. This script is used signing up online for an event and also for the ordering of publications.

Product Support Product support includes a wide variety of phone calls fielded by our staff which cover topics from installing our software to troubleshooting hardware, software and network problems on the user's systems in relation to our services.

Board of Public Accountancy: The Board of Public Accountancy project has been put on hold.

We are working with the Board of Public Accountancy on their home page and other information. Current information resources completed are:

- Information about the Board of Public Accountancy
- Board Meeting Agendas/Minutes
- Title 288: Rules & Regulations
- Newsletter

Items yet to be done include:

- Calendar
- Mission Statement
- Licensing Requirements
- Uniform CPA Examination
- Application forms available for downloading/printing
- Address Change Form

The Board of Public Accountancy have ordered and received new PCs for their agency and hoped to be able to reactivate this project in the October/November time frame. It will probably be after the first of the year before this project is reactivated.

NEW/OUTSTANDING ISSUES

The Nebraska State Records Board RFP(Rebid) for a Network Manager was issued September 12, 1997 and we (Nebrask@ Interactive, Inc.) completed and turned in our response/bid on the due date of October 30, 1997. We attended the bid opening on that same date and discovered NII was the only bidder. We gave a presentation to the NSRB and were awarded the bid, pending negotiation of a new contract. We hope to have a Network Manager Contract negotiated in early December, which will go into affect on February 1, 1998.

We are on hold in our process of looking for new office space for Nebrask@ Online. We will not make a long term committment until we know the results of the Network Manager decision of the Nebraska State Records Board and signed a new contract.

We just hired a part time programmer that will work between 20 - 30 hours per week. The new programmers name is Kevin Lyons, a student at Nebraska Wesleyan that will graduate in the Spring of 1999.

Respectfully Submitted,



Sam Somerhalder
Network General Manager