

AMENDMENTS TO LB 308

(Amendments to Standing Committee amendments, AM583)

Introduced by Chambers

1 1. Insert the following new sections:

2 Sec. 4. Section 77-27,142, Revised Statutes Cumulative
3 Supplement, 2012, is amended to read:

4 77-27,142 ~~(1)~~ Any incorporated municipality by ordinance
5 of its governing body is hereby authorized to impose a sales and
6 use tax of one-half percent, one percent, or one and one-half
7 percent, ~~one and three-quarters percent, or two percent~~ upon the
8 same transactions that are sourced under the provisions of sections
9 77-2703.01 to 77-2703.04 within such incorporated municipality on
10 which the State of Nebraska is authorized to impose a tax pursuant
11 to the Nebraska Revenue Act of 1967, as amended from time to time.
12 No sales and use tax shall be imposed pursuant to this section
13 until an election has been held and a majority of the qualified
14 electors have approved such tax pursuant to sections 77-27,142.01
15 and 77-27,142.02.

16 ~~(2)(a) Any incorporated municipality that proposes to~~
17 ~~impose a municipal sales and use tax at a rate greater than one~~
18 ~~and one-half percent or increase a municipal sales and use tax~~
19 ~~to a rate greater than one and one-half percent shall submit the~~
20 ~~question of such tax or increase at a primary or general election~~
21 ~~held within the incorporated municipality. The question shall be~~
22 ~~submitted upon an affirmative vote by at least seventy percent~~

1 of all of the members of the governing body of the incorporated
2 municipality.

3 (b) Any rate greater than one and one-half percent shall
4 be used as follows:

5 (i) In a city of the metropolitan class, the proceeds
6 from the first one-quarter percent of the rate greater than one and
7 one-half percent shall be used to reduce other taxes, the proceeds
8 from the next one-eighth percent of the rate greater than one and
9 one-half percent shall be used for public infrastructure projects,
10 and the proceeds from the next one-eighth percent of the rate
11 greater than one and one-half percent shall be used for purposes of
12 the interlocal agreement or joint public agency agreement described
13 in subsection (3) of this section;

14 (ii) In a city of the primary class, up to fifteen
15 percent of the proceeds from the rate in excess of one and one-half
16 percent may be used for non-public infrastructure projects of
17 an interlocal agreement or joint public agency agreement with
18 another political subdivision within the municipality or the
19 county in which the municipality is located, and the remaining
20 proceeds shall be used for public infrastructure projects or
21 voter-approved infrastructure related to an economic development
22 program as defined in section 18-2705, and

23 (iii) In any incorporated municipality other than a city
24 of the metropolitan or primary class, the proceeds from the rate
25 in excess of one and one-half percent shall be used for public
26 infrastructure projects or voter-approved infrastructure related to
27 an economic development program as defined in section 18-2705.

1 For purposes of this section, public infrastructure
2 project means and includes, but is not limited to, any of the
3 following projects, or any combination thereof: Public highways and
4 bridges and municipal roads, streets, bridges, and sidewalks, solid
5 waste management facilities, wastewater, storm water, and water
6 treatment works and systems, water distribution facilities, and
7 water resources projects, including, but not limited to, pumping
8 stations, transmission lines, and mains and their appurtenances,
9 hazardous waste disposal systems, resource recovery systems,
10 airports, port facilities, buildings and capital equipment used
11 in the operation of municipal government, convention and tourism
12 facilities, redevelopment projects as defined in section 18-2103,
13 mass transit and other transportation systems, including parking
14 facilities, and equipment necessary for the provision of municipal
15 services.

16 (c) Any rate greater than one and one-half percent shall
17 terminate no more than ten years after its effective date or, if
18 bonds are issued and the local option sales and use tax revenue is
19 pledged for payment of such bonds, upon payment of such bonds and
20 any refunding bonds, whichever date is later, except as provided in
21 subdivision (2)(d) of this section.

22 (d) If a portion of the rate greater than one and
23 one-half percent is stated in the ballot question as being imposed
24 for the purpose of the interlocal agreement or joint public agency
25 agreement described in subdivision (2)(b)(ii) or subsection (3) of
26 this section, and such portion is at least one-eighth percent,
27 there shall be no termination date for the rate representing such

1 ~~portion rounded to the next higher one-quarter or one-half percent.~~

2 ~~(e) Sections 13-518 to 13-522 apply to the revenue from~~
3 ~~any such tax or increase.~~

4 ~~(3)(a) No municipal sales and use tax shall be imposed~~
5 ~~at a rate greater than one and one-half percent or increased to a~~
6 ~~rate greater than one and one-half percent unless the municipality~~
7 ~~is a party to an interlocal agreement pursuant to the Interlocal~~
8 ~~Cooperation Act or a joint public agency agreement pursuant to the~~
9 ~~Joint Public Agency Act with a political subdivision within the~~
10 ~~municipality or the county in which the municipality is located~~
11 ~~creating a separate legal or administrative entity relating to a~~
12 ~~public infrastructure project.~~

13 ~~(b) Except as provided in subdivision (2)(b)(ii)~~
14 ~~of this section, such interlocal agreement or joint public~~
15 ~~agency agreement shall contain provisions, including benchmarks,~~
16 ~~relating to the long-term development of unified governance~~
17 ~~of public infrastructure projects with respect to the parties.~~
18 ~~The Legislature may provide additional requirements for such~~
19 ~~agreements, including benchmarks, but such additional requirements~~
20 ~~shall not apply to any debt outstanding at the time the~~
21 ~~Legislature enacts such additional requirements. The separate legal~~
22 ~~or administrative entity created shall not be one that was in~~
23 ~~existence for one calendar year preceding the submission of the~~
24 ~~question of such tax or increase at a primary or general election~~
25 ~~held within the incorporated municipality.~~

26 ~~(c) Any other public agency as defined in section 13-803~~
27 ~~may be a party to such interlocal cooperation agreement or joint~~

1 ~~public agency agreement.~~

2 ~~(d) A municipality is not required to use all of the~~
3 ~~additional revenue generated by a sales and use tax imposed at a~~
4 ~~rate greater than one and one-half percent or increased to a rate~~
5 ~~greater than one and one-half percent under this subsection for the~~
6 ~~purposes of the interlocal cooperation agreement or joint public~~
7 ~~agency agreement set forth in this subsection.~~

8 ~~(4) The provisions of subsections (2) and (3) of this~~
9 ~~section do not apply to the first one and one-half percent of a~~
10 ~~sales and use tax imposed by a municipality.~~

11 ~~(5) Notwithstanding any provision of any municipal~~
12 ~~charter, any incorporated municipality or interlocal agency or~~
13 ~~joint public agency pursuant to an agreement as provided in~~
14 ~~subsection (3) of this section may issue bonds in one or more~~
15 ~~series for any municipal purpose and pay the principal of~~
16 ~~and interest on any such bonds by pledging receipts from the~~
17 ~~increase in the municipal sales and use taxes authorized by such~~
18 ~~municipality. Any municipality which has or may issue bonds under~~
19 ~~this section may dedicate a portion of its property tax levy~~
20 ~~authority as provided in section 77-3442 to meet debt service~~
21 ~~obligations under the bonds. For purposes of this subsection, bond~~
22 ~~means any evidence of indebtedness, including, but not limited to,~~
23 ~~bonds, notes including notes issued pending long-term financing~~
24 ~~arrangements, warrants, debentures, obligations under a loan~~
25 ~~agreement or a lease-purchase agreement, or any similar instrument~~
26 ~~or obligation.~~

27 Sec. 5. Section 77-27,142.01, Revised Statutes Cumulative

1 Supplement, 2012, is amended to read:

2 77-27,142.01 ~~(1)~~ The governing body of any incorporated
3 municipality may submit the question of changing any terms
4 and conditions of a sales and use tax previously authorized
5 under section 77-27,142. ~~Except as otherwise provided by section~~
6 ~~77-27,142,~~ the The question of modification shall be submitted to
7 the voters at any primary or general election or at a special
8 election if the governing body submits a certified copy of the
9 resolution proposing modification to the election commissioner or
10 county clerk within the time prior to the primary, general, or
11 special election prescribed in section 77-27,142.02.

12 ~~(2)~~ If the change imposes a sales and use tax at a
13 rate greater than one and one-half percent or increases the sales
14 and use tax to a rate greater than one and one-half percent, the
15 question shall include, but not be limited to:

16 ~~(a)~~ The percentage increase of one-quarter percent or
17 one-half percent in the sales and use tax rate;

18 ~~(b)~~ A list of reductions or elimination of other taxes or
19 fees, if any;

20 ~~(c)~~ A description of the projects to be funded, in whole
21 or in part, from the revenue collected, along with any savings or
22 efficiencies resulting from the projects;

23 ~~(d)~~ The year or years within which the revenue will be
24 collected and, if bonds will be issued with some or all of the
25 revenue pledged for payment of such bonds, a statement that the
26 revenue will be collected until the payment in full of such bonds
27 and any refunding bonds; and

1 ~~(e)(i) The percentage of revenue collected to be used for~~
2 ~~the purposes of the interlocal agreement or joint public agency~~
3 ~~agreement as provided in subdivision (2)(b)(ii) or subsection (3)~~
4 ~~of section 77-27,142; (ii) a statement of the overall purpose~~
5 ~~of the agreement which is the long-term development of unified~~
6 ~~governance of public infrastructure projects, if applicable; and~~
7 ~~(iii) the name of any other political subdivision which is a party~~
8 ~~to the agreement.~~

9 This subsection does not apply to the first one and
10 ~~one-half percent of a sales and use tax imposed by a municipality.~~

11 Sec. 6. Section 77-27,142.02, Revised Statutes Cumulative
12 Supplement, 2012, is amended to read:

13 77-27,142.02 ~~Except as otherwise provided by subsection~~
14 ~~(2) of section 77-27,142, the~~ The power granted by section
15 77-27,142 shall not be exercised unless and until the question
16 has been submitted at a primary, general, or special election held
17 within the incorporated municipality and in which all qualified
18 electors shall be entitled to vote on such question. The officials
19 of the incorporated municipality shall order the submission of
20 the question by submitting a certified copy of the resolution
21 proposing the tax to the election commissioner or county clerk
22 by March 1 for a primary election, by September 1 for a general
23 election, or at least fifty days before a special election. ~~Except~~
24 ~~as otherwise provided by subsection (2) of section 77-27,142.01,~~
25 ~~the~~ The question may include any terms and conditions set forth
26 in the resolution proposing the tax, such as a termination date
27 or the specific project or program for which the revenue received

1 from such tax will be allocated, and shall include the following
2 language: Shall the governing body of the incorporated municipality
3 impose a sales and use tax upon the same transactions within such
4 municipality on which the State of Nebraska is authorized to impose
5 a tax? If a majority of the votes cast upon such question shall be
6 in favor of such tax, then the governing body of such incorporated
7 municipality shall be empowered as provided by section 77-27,142
8 and shall forthwith proceed to impose a tax pursuant to the Local
9 Option Revenue Act. If a majority of those voting on the question
10 shall be opposed to such tax, then the governing body of the
11 incorporated municipality shall not impose such a tax.

12 2. Renumber the remaining sections and correct the
13 repealer accordingly.