

AMENDMENTS TO LB324

Introduced by Craighead, 6.

1 1. Insert the following new section:

2 Sec. 7. (1) If the chairperson of a sanitary and improvement
3 district board of trustees or the legal counsel or administrator for the
4 district receives written notice from a city or village proposing to
5 annex territory within the sanitary and improvement district under the
6 authority of section 14-117, 15-104, 16-117, 16-130, 17-405.01, or
7 17-407, the district shall not make any expenditures for a period of
8 ninety days after receiving such notice except for:

9 (a) Interest and principal payments on bonds due and payable from
10 the construction fund or bond fund of the district;

11 (b) Interest and principal payments on construction fund warrants
12 due and payable from the construction fund or bond fund of the district;

13 (c) Interest and principal payments on general fund warrants due and
14 payable from the general fund of the district;

15 (d) Payment or issuance of warrants for any expense incurred by the
16 district that is required by the district to satisfy any statutory
17 obligation of the district or to address emergency or imminent public
18 safety repairs or replacements to district property;

19 (e) Payment or issuance of warrants for services, work, labor, or
20 materials that were ordered or contracted for by the district prior to
21 receiving notice of the proposal to annex the district. Such a payment or
22 warrant shall be paid from the district's general fund, construction
23 fund, bond fund, or service fee fund so long as such payment or warrant
24 does not cause the district to exceed its total budget for the fund from
25 which such payment or warrant is to be made;

26 (f) Payment or issuance of warrants for any expense incurred by the
27 district prior to receiving notice of the proposal to annex the district

1 (i) that is required by the district (A) to pay expenses that would be
2 paid by the district in the ordinary course of business of the district
3 or (B) to address projects for which a notice to contractors has been
4 published, the bidding process has begun, and contracts were awarded and
5 (ii) that (A) does not cause the district to exceed the district's total
6 general fund budget and is paid from the general fund, including, but not
7 limited to, levied tax receipts to be received by the district on April 1
8 and August 1 if the annexation is to occur after such dates, (B) does not
9 cause the district to exceed the district's total construction fund or
10 bond fund budget and is paid from the construction fund or bond fund, or
11 (C) does not cause the district to exceed the district's total service
12 fee fund budget and is paid from the service fee fund; and

13 (g) Payment or issuance of warrants for a commitment or contract
14 that will bind the district to pay for any other expense approved in
15 writing by the city finance director or other designated person
16 responsible for such approvals for purposes of the proposed annexation.

17 (2) If a district plans to commence a construction project or enter
18 into any contracts required to be publicly bid pursuant to section 31-741
19 and for which a notice to contractors has not been published and the
20 bidding process has not begun prior to the district receiving notice of
21 the proposal to annex the district as described in subsection (1) of this
22 section, the district shall submit either the plans and specifications
23 for the improvements or the proposed contract to the city finance
24 director or other designated person responsible for such approvals.
25 Within ten business days after the district submits the plans and
26 specifications or the proposed contract, the city finance director or
27 other designated person responsible for such approvals shall either (a)
28 approve or deny such plans and specifications or the proposed contract or
29 (b) direct the department head within the city responsible for reviewing
30 plans and specifications or contracts to approve or deny such plans and
31 specifications or the proposed contract within such ten-day period.

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2. Renumber the remaining section accordingly.