

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 325

Introduced by Davis, 43; Schilz, 47.

Read first time January 15, 2015

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 13-303, 13-2809, 35-508, 35-509, 35-514.02, 35-517, and 77-3443,
- 3 Reissue Revised Statutes of Nebraska, and section 77-3442, Revised
- 4 Statutes Cumulative Supplement, 2014; to change levy provisions for
- 5 rural and suburban fire protection districts; to harmonize
- 6 provisions; to provide an operative date; and to repeal the original
- 7 sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-303, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-303 The county boards of counties and the governing bodies of
4 cities and villages may establish an emergency medical service, including
5 the provision of scheduled and unscheduled ambulance service, as a
6 governmental service either within or without the county or municipality,
7 as the case may be. The county board or governing body may contract with
8 any city, person, firm, or corporation licensed as an emergency medical
9 service for emergency medical care by out-of-hospital emergency care
10 providers. Each may enter into an agreement with the other under the
11 Interlocal Cooperation Act or Joint Public Agency Act for the purpose of
12 establishing an emergency medical service or may provide a separate
13 service for itself. Public funds may be expended therefor, and a
14 reasonable service fee may be charged to the user. Before any such
15 service is established under the authority of this section, the county
16 board or the governing bodies of cities and villages shall hold a public
17 hearing after giving at least ten days' notice thereof, which notice
18 shall include a brief summary of the general plan for establishing such
19 service, including an estimate of the initial cost and the possible
20 continuing cost of operating such service. If the board or governing body
21 after such hearing determines that an emergency medical service for
22 emergency medical care by out-of-hospital emergency care providers is
23 needed, it may proceed as authorized in this section. The authority
24 granted in this section shall be cumulative and supplementary to any
25 existing powers heretofore granted. Any county board of counties and the
26 governing bodies of cities and villages may pay their cost for such
27 service out of available general funds or may levy a tax for the purpose
28 of providing the service, which levy shall be in addition to all other
29 taxes and shall be in addition to restrictions on the levy of taxes
30 provided by statute, except that when a rural or suburban fire protection
31 ~~fire~~ district provides the service the county shall pay the cost for the

1 county service by levying a tax on that property not in the rural or
2 suburban fire protection ~~a fire district~~ providing the service. The levy
3 shall be subject to subsection (10) of section 77-3442 or section
4 77-3443, as applicable.

5 Sec. 2. Section 13-2809, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-2809 (1) An area within the boundaries of a municipality which
8 remains within the boundaries of a municipal county and is not
9 consolidated into the municipal county at the time of the formation of
10 the municipal county shall not be considered to be part of the municipal
11 county for any purpose. Such a municipality shall not be annexed by the
12 municipal county, and such a municipality shall not annex any territory,
13 for at least four years after the date of creation of the municipal
14 county. Such a municipality shall retain:

15 (a) The authority to levy property taxes, not to exceed ninety cents
16 per one hundred dollars of taxable value except as provided in sections
17 77-3442 and 77-3444; and

18 (b) All the other powers and duties applicable to a municipality of
19 the same population with the same form of government in effect on the
20 date of creation of the municipal county, including, but not limited to,
21 its zoning jurisdiction and the authority to impose a tax as provided in
22 the Local Option Revenue Act.

23 (2) In order to provide economical and efficient services, a
24 municipality within the boundaries of a municipal county may annex
25 adjacent territory within the municipal county if the municipal county
26 consents. Consent shall be granted if the services will be provided by
27 the municipality within the annexed territory at less cost than similar
28 services provided by the municipal county.

29 (3) All fire protection districts ~~subject to municipal county levy~~
30 ~~authority under section 77-3443~~ which are within the boundaries of a
31 municipal county shall continue to exist after formation of the municipal

1 county.

2 Sec. 3. Section 35-508, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 35-508 The board of directors shall have the following general
5 powers:

6 (1) To determine a general fire protection and rescue program for
7 the district;

8 (2) To make an annual estimate of the probable expense for carrying
9 out such program;

10 (3) To annually certify such estimate to the county clerk in the
11 manner provided by section 35-509;

12 (4) To manage and conduct the business affairs of the district;

13 (5) To make and execute contracts in the name of and on behalf of
14 the district;

15 (6) To buy real estate when needed for the district and to sell real
16 estate of the district when the district has no further use for it;

17 (7) To purchase or lease such firefighting and rescue equipment,
18 supplies, and other real or personal property as necessary and proper to
19 carry out the general fire protection and rescue program of the district;

20 (8) To incur indebtedness on behalf of the district;

21 (9) To authorize the issuance of evidences of the indebtedness
22 permitted under subdivision (8) of this section and to pledge any real or
23 personal property owned or acquired by the district as security for the
24 same;

25 (10) To organize, establish, equip, maintain, and supervise a paid,
26 volunteer, or combination paid and volunteer fire department or company
27 to serve the district and to establish a service award benefit program
28 pursuant to the Volunteer Emergency Responders Recruitment and Retention
29 Act;

30 (11) To employ and compensate such personnel as necessary to carry
31 out the general fire protection and rescue program of the district;

1 (12) To authorize the execution of a contract with the Game and
2 Parks Commission or a public power district for fire protection of
3 property of the commission or public power district located in or
4 adjacent to the rural or suburban fire protection district;

5 (13)(a) If the rural or suburban fire protection district has levy
6 authority pursuant to subsection (10) of section 77-3442, to levy a tax
7 not to exceed ten and one-half cents on each one hundred dollars in any
8 one year upon the taxable value of all taxable property within such
9 district for the purpose of establishing a sinking fund, which shall be
10 in addition to the amount of tax which may be annually levied to defray
11 the general and incidental expenses of such district. The sinking fund
12 shall be for the construction, purchase, improvement, extension, original
13 equipment, or repair, not including maintenance, of district buildings to
14 house equipment or personal belongings of a fire department, for the
15 purchase of firefighting and rescue equipment or apparatus, for the
16 acquisition of any land incidental to such purposes, or for payment of
17 principal and interest on any evidence of indebtedness issued pursuant to
18 subdivisions (8) and (9) of this section. The levy authorized in this
19 subdivision shall be subject to subsection (10) of section 77-3442.

20 (b) If the rural or suburban fire protection district does not have
21 levy authority pursuant to subsection (10) of section 77-3442, to ~~(13)~~ To
22 levy a tax not to exceed ten and one-half cents on each one hundred
23 dollars in any one year upon the taxable value of all taxable property
24 within such district, subject to section 77-3443, for the purpose of
25 establishing a sinking fund, which shall be in addition to the amount of
26 tax which may be annually levied to defray the general and incidental
27 expenses of such district. The , for the purpose of establishing a
28 sinking fund shall be for the construction, purchase, improvement,
29 extension, original equipment, or repair, not including maintenance, of
30 district buildings to house equipment or personal belongings of a fire
31 department, for the purchase of firefighting and rescue equipment or

1 apparatus, for the acquisition of any land incidental to such purposes,
2 or for payment of principal and interest on any evidence of indebtedness
3 issued pursuant to subdivisions (8) and (9) of this section. For purposes
4 of section 77-3443, the county board of the county in which the greatest
5 portion of the valuation of the district is located shall approve the
6 levy;

7 (14) To adopt and enforce fire codes and establish penalties at
8 annual meetings, except that the code must be available prior to annual
9 meetings and notice shall so provide; and

10 (15) Generally to perform all acts necessary to fully carry out the
11 purposes of sections 35-501 to 35-517.

12 Sec. 4. Section 35-509, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 35-509 (1) The board of directors shall have the power and duty to
15 determine a general fire protection and rescue policy for the district
16 and shall annually fix the amount of money for the proposed budget
17 statement as may be deemed sufficient and necessary in carrying out such
18 contemplated program for the ensuing fiscal year, including the amount of
19 principal and interest upon the indebtedness of the district for the
20 ensuing year. ~~After~~

21 (2)(a) For any rural or suburban fire protection district that has
22 levy authority pursuant to subsection (10) of section 77-3442, after the
23 adoption of the budget statement, the president and secretary of the
24 district shall certify the amount of tax to be levied which the district
25 requires for the adopted budget statement for the ensuing year to the
26 proper county clerk or county clerks on or before August 1 of each year.
27 The county board shall levy a tax not to exceed ten and one-half cents on
28 each one hundred dollars upon the taxable value of all the taxable
29 property in such district for the maintenance of the fire protection
30 district for the fiscal year, plus such levy as is authorized to be made
31 under subdivision (13)(a) of section 35-508, all such levies being

1 subject to subsection (10) of section 77-3442. The tax shall be collected
2 as other taxes are collected in the county, deposited with the county
3 treasurer, and placed to the credit of the rural or suburban fire
4 protection district so authorizing the same on or before the fifteenth
5 day of each month or more frequently as provided in section 77-1759 or be
6 remitted to the county treasurer of the county in which the greatest
7 portion of the valuation of the district is located as is provided for by
8 subsection (3) of this section.

9 (b) For any rural or suburban fire protection district that does not
10 have levy authority pursuant to subsection (10) of section 77-3442, after
11 the adoption of the budget statement, the president and secretary of the
12 district shall certify request the amount of tax to be levied which the
13 district requires for the adopted budget statement for the ensuing year
14 to the proper county clerk or county clerks board on or before August 1
15 of each year. The county Such board shall levy a tax not to exceed ten
16 and one-half cents on each one hundred dollars upon the taxable value of
17 all the taxable property in such district when the district is a rural or
18 suburban fire protection district, for the maintenance of the fire
19 protection district for the fiscal year as provided by law, plus such
20 levy as is authorized to be made under subdivision (13)(b) of section
21 35-508, all such levies being subject to section 77-3443. The tax shall
22 be collected as other taxes are collected in the county, deposited with
23 the county treasurer, and placed to the credit of the rural or suburban
24 fire protection district so authorizing the same on or before the
25 fifteenth day of each month or more frequently as provided in section
26 77-1759 or be remitted to the county treasurer of the county in which the
27 greatest portion of the valuation of the district is located as is
28 provided for by subsection (3 2) of this section. For purposes of section
29 77-3443, the county board of the county in which the greatest portion of
30 the valuation of the district is located shall approve the levy.

31 (3 2) All such taxes collected or received for the district by the

1 treasurer of any other county than the one in which the greatest portion
2 of the valuation of the district is located shall be remitted to the
3 treasurer of the county in which the greatest portion of the valuation of
4 the district is located at least quarterly. All such taxes collected or
5 received shall be placed to the credit of such district in the treasury
6 of the county in which the greatest portion of the valuation of the
7 district is located.

8 (4 3) In no case shall the amount of tax levy exceed the amount of
9 funds to be received from taxation according to the adopted budget
10 statement of the district.

11 Sec. 5. Section 35-514.02, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 35-514.02 (1) A rural or suburban fire protection district may
14 establish an emergency medical service, including the provision of
15 scheduled or unscheduled ambulance service, or provide fire protection
16 service either within or without the district, may enter into agreements
17 under the Interlocal Cooperation Act and the Joint Public Agency Act for
18 the purpose of establishing an emergency medical service or providing
19 fire protection service, may contract with any city, person, firm,
20 corporation, or other fire protection district to provide such services,
21 may expend funds of the district, and may charge a reasonable fee to the
22 user. Before any such services are established under the authority of
23 this section, the rural or suburban fire protection district shall hold a
24 public hearing after giving at least ten days' notice, which notice shall
25 include a brief summary of the general plan for establishing the
26 emergency medical service or providing fire protection service, including
27 an estimate of the initial cost and the possible continuing cost of
28 operating the emergency medical service or fire protection service. If
29 the board after such hearing determines that an emergency medical service
30 or fire protection service is needed, it may proceed as authorized in
31 this section. The authority granted in this section shall be cumulative

1 and supplementary to any existing powers heretofore granted.

2 (2) Any fire protection district providing any service under this
3 section may pay the cost for the service out of available funds or may
4 levy a tax for the purpose of supporting an emergency medical service or
5 providing fire protection service, which levy shall be in addition to any
6 other tax for such fire protection district and shall be subject to (a)
7 subsection (10) of section 77-3442 if the fire protection district has
8 levy authority pursuant to subsection (10) of section 77-3442 or (b)
9 section 77-3443 if the fire protection district does not have levy
10 authority pursuant to subsection (10) of section 77-3442.

11 (3) When a fire protection district levies a tax for the purpose of
12 supporting an emergency medical service, the taxpayers of such district
13 shall be exempt from any tax levied under section 13-303.

14 (4) The board of a fire protection district which provides fire
15 protection service outside of the district may charge a political
16 subdivision with which the district has entered into an agreement for
17 such service on a per-call basis for such service.

18 Sec. 6. Section 35-517, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 35-517 (1) ~~The By July 1, 1999,~~ the county board shall set the
21 boundaries of all rural or suburban fire protection districts in the
22 county so that all areas within the county which are not within the
23 incorporated areas of cities and villages are included within a rural or
24 suburban fire protection district.

25 (2) By July 1 of the year following the dissolution of any rural or
26 suburban fire protection district, the county board shall set the
27 boundaries of all remaining rural and suburban fire protection districts
28 so that all areas within the county which are not within the incorporated
29 areas of cities and villages are included within a rural or suburban fire
30 protection district.

31 (3) Any county may set the boundaries of all rural and suburban fire

1 protection districts which have the greatest portion of their valuation
2 in such county for which the county is responsible for allocating levy
3 authority under section 77-3443 so that the highest levy of a rural or
4 suburban fire protection district is no more than two times the average
5 levy of all rural and suburban fire protection districts which have the
6 greatest portion of their valuation in such county for which the county
7 is responsible for allocating levy authority under section 77-3443 based
8 on the property tax request or levy and associated valuation for the
9 current fiscal year. For purposes of this subsection, each county shall
10 examine the property tax request or levy of each rural or suburban fire
11 protection district in the county for all purposes except bonded
12 indebtedness for the current fiscal year and lease-purchase contracts in
13 existence on July 1, 1998, as compared to the valuation for the tax year
14 against which the levy was imposed. If one or more fire protection
15 districts do not meet the standard required by this subsection for the
16 current year, boundaries may be relocated to place more valuation in the
17 high levy districts and less in the low levy districts so that the
18 standard is met. If any district is to be eliminated by the county to
19 meet the standard, the property tax request or levy for the current
20 fiscal year will be assumed to be transferred to the other districts
21 which are to be in the territory of the eliminated district in proportion
22 to the valuation transferred to such districts for purposes of compliance
23 with the standard, the district shall be deemed to be dissolved, and the
24 obligations and assets of the district shall be disposed of as provided
25 in section 35-521. For purposes of this subsection, the average levy of
26 all rural and suburban fire protection districts means the total taxes
27 levied by all rural and suburban fire protection districts in a county
28 which have the greatest portion of their valuation in such county for
29 which the county is responsible for allocating levy authority divided by
30 the total taxable valuation of all such districts.

31 (4) Before May 1 of the year in which any change in boundaries

1 allowed or required under this section is to be effective, the county
2 board shall forthwith designate a time and place for a hearing before the
3 county board of such county and shall give due notice thereof in the
4 manner prescribed by section 35-514. The hearing shall be prior to June
5 1. At the time and place so fixed the county board shall meet and all
6 persons interested shall have opportunity to be heard. Thereupon, the
7 county board shall consider the general rural fire protection policy for
8 the county as a whole and shall determine the boundaries of the district
9 or districts, whether as existing prior to such determination or
10 otherwise, and shall make a written order of such determination which
11 shall be filed in the office of the county clerk by July 1 of the year in
12 which any change in boundaries under this section is to be effective. If
13 all rural and suburban fire protection districts in a county which have
14 the greatest portion of their valuation in such county for which the
15 county is responsible for allocating levy authority under section 77-3443
16 agree to a change in boundaries and submit a proposal to change
17 boundaries to the county board prior to the hearing, the county shall
18 adopt the proposal unless it finds that the proposal is not consistent
19 with the fire protection policy in the county as a whole or does not
20 result in levies which comply with the standard described in this
21 section. Thereafter, such reorganized district or districts shall be
22 deemed to be organized and operating under sections 35-501 to 35-517.
23 Nothing herein contained shall impair, affect, or discharge any
24 previously existing contract, obligation, lien, or charge of the district
25 or districts.

26 Sec. 7. Section 77-3442, Revised Statutes Cumulative Supplement,
27 2014, is amended to read:

28 77-3442 (1) Property tax levies for the support of local governments
29 for fiscal years beginning on or after July 1, 1998, shall be limited to
30 the amounts set forth in this section except as provided in section
31 77-3444.

1 (2)(a) Except as provided in subdivision (2)(e) of this section,
2 school districts and multiple-district school systems, except learning
3 communities and school districts that are members of learning
4 communities, may levy a maximum levy of one dollar and five cents per one
5 hundred dollars of taxable valuation of property subject to the levy.

6 (b) For each fiscal year, learning communities may levy a maximum
7 levy for the general fund budgets of member school districts of ninety-
8 five cents per one hundred dollars of taxable valuation of property
9 subject to the levy. The proceeds from the levy pursuant to this
10 subdivision shall be distributed pursuant to section 79-1073.

11 (c) Except as provided in subdivision (2)(e) of this section, for
12 each fiscal year, school districts that are members of learning
13 communities may levy for purposes of such districts' general fund budget
14 and special building funds a maximum combined levy of the difference of
15 one dollar and five cents on each one hundred dollars of taxable property
16 subject to the levy minus the learning community levies pursuant to
17 subdivisions (2)(b) and (2)(g) of this section for such learning
18 community.

19 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
20 of this section are amounts levied to pay for sums agreed to be paid by a
21 school district to certificated employees in exchange for a voluntary
22 termination of employment and amounts levied to pay for special building
23 funds and sinking funds established for projects commenced prior to April
24 1, 1996, for construction, expansion, or alteration of school district
25 buildings. For purposes of this subsection, commenced means any action
26 taken by the school board on the record which commits the board to expend
27 district funds in planning, constructing, or carrying out the project.

28 (e) Federal aid school districts may exceed the maximum levy
29 prescribed by subdivision (2)(a) or (2)(c) of this section only to the
30 extent necessary to qualify to receive federal aid pursuant to Title VIII
31 of Public Law 103-382, as such title existed on September 1, 2001. For

1 purposes of this subdivision, federal aid school district means any
2 school district which receives ten percent or more of the revenue for its
3 general fund budget from federal government sources pursuant to Title
4 VIII of Public Law 103-382, as such title existed on September 1, 2001.

5 (f) For school fiscal year 2002-03 through school fiscal year
6 2007-08, school districts and multiple-district school systems may, upon
7 a three-fourths majority vote of the school board of the school district,
8 the board of the unified system, or the school board of the high school
9 district of the multiple-district school system that is not a unified
10 system, exceed the maximum levy prescribed by subdivision (2)(a) of this
11 section in an amount equal to the net difference between the amount of
12 state aid that would have been provided under the Tax Equity and
13 Educational Opportunities Support Act without the temporary aid
14 adjustment factor as defined in section 79-1003 for the ensuing school
15 fiscal year for the school district or multiple-district school system
16 and the amount provided with the temporary aid adjustment factor. The
17 State Department of Education shall certify to the school districts and
18 multiple-district school systems the amount by which the maximum levy may
19 be exceeded for the next school fiscal year pursuant to this subdivision
20 (f) of this subsection on or before February 15 for school fiscal years
21 2004-05 through 2007-08.

22 (g) For each fiscal year, learning communities may levy a maximum
23 levy of two cents on each one hundred dollars of taxable property subject
24 to the levy for special building funds for member school districts. The
25 proceeds from the levy pursuant to this subdivision shall be distributed
26 pursuant to section 79-1073.01.

27 (h) For each fiscal year, learning communities may levy a maximum
28 levy of one-half cent on each one hundred dollars of taxable property
29 subject to the levy for elementary learning center facility leases, for
30 remodeling of leased elementary learning center facilities, and for up to
31 fifty percent of the estimated cost for focus school or program capital

1 projects approved by the learning community coordinating council pursuant
2 to section 79-2111.

3 (i) For each fiscal year, learning communities may levy a maximum
4 levy of one and one-half cents on each one hundred dollars of taxable
5 property subject to the levy for early childhood education programs for
6 children in poverty, for elementary learning center employees, for
7 contracts with other entities or individuals who are not employees of the
8 learning community for elementary learning center programs and services,
9 and for pilot projects, except that no more than ten percent of such levy
10 may be used for elementary learning center employees.

11 (3)(a) For fiscal years 2011-12 and 2012-13, community college areas
12 may levy a maximum of ten and one-quarter cents per one hundred dollars
13 of taxable valuation of property subject to the levy for operating
14 expenditures and may also levy the additional levies provided in
15 subdivisions (1)(b) and (c) of section 85-1517.

16 (b) For fiscal year 2013-14 and each fiscal year thereafter,
17 community college areas may levy the levies provided in subdivisions (2)
18 (a) through (c) of section 85-1517, in accordance with the provisions of
19 such subdivisions. A community college area may exceed the levy provided
20 in subdivision (2)(b) of section 85-1517 by the amount necessary to
21 retire general obligation bonds assumed by the community college area or
22 issued pursuant to section 85-1515 according to the terms of such bonds
23 or for any obligation pursuant to section 85-1535 entered into prior to
24 January 1, 1997.

25 (4)(a) Natural resources districts may levy a maximum levy of four
26 and one-half cents per one hundred dollars of taxable valuation of
27 property subject to the levy.

28 (b) Natural resources districts shall also have the power and
29 authority to levy a tax equal to the dollar amount by which their
30 restricted funds budgeted to administer and implement ground water
31 management activities and integrated management activities under the

1 Nebraska Ground Water Management and Protection Act exceed their
2 restricted funds budgeted to administer and implement ground water
3 management activities and integrated management activities for FY2003-04,
4 not to exceed one cent on each one hundred dollars of taxable valuation
5 annually on all of the taxable property within the district.

6 (c) In addition, natural resources districts located in a river
7 basin, subbasin, or reach that has been determined to be fully
8 appropriated pursuant to section 46-714 or designated as overappropriated
9 pursuant to section 46-713 by the Department of Natural Resources shall
10 also have the power and authority to levy a tax equal to the dollar
11 amount by which their restricted funds budgeted to administer and
12 implement ground water management activities and integrated management
13 activities under the Nebraska Ground Water Management and Protection Act
14 exceed their restricted funds budgeted to administer and implement ground
15 water management activities and integrated management activities for
16 FY2005-06, not to exceed three cents on each one hundred dollars of
17 taxable valuation on all of the taxable property within the district for
18 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
19 2017-18.

20 (5) Any educational service unit authorized to levy a property tax
21 pursuant to section 79-1225 may levy a maximum levy of one and one-half
22 cents per one hundred dollars of taxable valuation of property subject to
23 the levy.

24 (6)(a) Incorporated cities and villages which are not within the
25 boundaries of a municipal county may levy a maximum levy of forty-five
26 cents per one hundred dollars of taxable valuation of property subject to
27 the levy plus an additional five cents per one hundred dollars of taxable
28 valuation to provide financing for the municipality's share of revenue
29 required under an agreement or agreements executed pursuant to the
30 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
31 levy shall include amounts levied to pay for sums to support a library

1 pursuant to section 51-201, museum pursuant to section 51-501, visiting
2 community nurse, home health nurse, or home health agency pursuant to
3 section 71-1637, or statue, memorial, or monument pursuant to section
4 80-202.

5 (b) Incorporated cities and villages which are within the boundaries
6 of a municipal county may levy a maximum levy of ninety cents per one
7 hundred dollars of taxable valuation of property subject to the levy. The
8 maximum levy shall include amounts paid to a municipal county for county
9 services, amounts levied to pay for sums to support a library pursuant to
10 section 51-201, a museum pursuant to section 51-501, a visiting community
11 nurse, home health nurse, or home health agency pursuant to section
12 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

13 (7) Sanitary and improvement districts which have been in existence
14 for more than five years may levy a maximum levy of forty cents per one
15 hundred dollars of taxable valuation of property subject to the levy, and
16 sanitary and improvement districts which have been in existence for five
17 years or less shall not have a maximum levy. Unconsolidated sanitary and
18 improvement districts which have been in existence for more than five
19 years and are located in a municipal county may levy a maximum of eighty-
20 five cents per hundred dollars of taxable valuation of property subject
21 to the levy.

22 (8) Counties may levy or authorize a maximum levy of fifty cents per
23 one hundred dollars of taxable valuation of property subject to the levy,
24 except that five cents per one hundred dollars of taxable valuation of
25 property subject to the levy may only be levied to provide financing for
26 the county's share of revenue required under an agreement or agreements
27 executed pursuant to the Interlocal Cooperation Act or the Joint Public
28 Agency Act. The maximum levy shall include amounts levied to pay for sums
29 to support a library pursuant to section 51-201 or museum pursuant to
30 section 51-501. The county may allocate up to fifteen cents of its
31 authority to other political subdivisions subject to allocation of

1 property tax authority under subsection (1) of section 77-3443 and not
2 specifically covered in this section to levy taxes as authorized by law
3 which do not collectively exceed fifteen cents per one hundred dollars of
4 taxable valuation on any parcel or item of taxable property. The county
5 may allocate to one or more other political subdivisions subject to
6 allocation of property tax authority by the county under subsection (1)
7 of section 77-3443 some or all of the county's five cents per one hundred
8 dollars of valuation authorized for support of an agreement or agreements
9 to be levied by the political subdivision for the purpose of supporting
10 that political subdivision's share of revenue required under an agreement
11 or agreements executed pursuant to the Interlocal Cooperation Act or the
12 Joint Public Agency Act. If an allocation by a county would cause another
13 county to exceed its levy authority under this section, the second county
14 may exceed the levy authority in order to levy the amount allocated.
15 Property tax levies for costs of reassumption of the assessment function
16 pursuant to section 77-1340 or 77-1340.04 are not included in the levy
17 limits established in this subsection for fiscal years 2010-11 through
18 2013-14.

19 (9) Municipal counties may levy or authorize a maximum levy of one
20 dollar per one hundred dollars of taxable valuation of property subject
21 to the levy. The municipal county may allocate levy authority to any
22 political subdivision or entity subject to allocation under section
23 77-3443.

24 (10) Rural and suburban fire protection districts may levy a maximum
25 levy of ten and one-half cents per one hundred dollars of taxable
26 valuation of property subject to the levy if (a) such district is located
27 in a county that had a levy pursuant to subsection (8) of this section in
28 the previous year of at least forty cents per one hundred dollars of
29 taxable valuation of property subject to the levy or (b) for any rural or
30 suburban fire protection district that had a levy request pursuant to
31 section 77-3443 in the previous year, the county board of the county in

1 which the greatest portion of the valuation of such district is located
2 did not authorize any levy authority to such district in the previous
3 year.

4 (~~11~~ 10) Property tax levies (a) for judgments, except judgments or
5 orders from the Commission of Industrial Relations, obtained against a
6 political subdivision which require or obligate a political subdivision
7 to pay such judgment, to the extent such judgment is not paid by
8 liability insurance coverage of a political subdivision, (b) for
9 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
10 for bonds as defined in section 10-134 approved according to law and
11 secured by a levy on property except as provided in section 44-4317 for
12 bonded indebtedness issued by educational service units and school
13 districts, and (d) for payments by a public airport to retire interest-
14 free loans from the Department of Aeronautics in lieu of bonded
15 indebtedness at a lower cost to the public airport are not included in
16 the levy limits established by this section.

17 (~~12~~ 11) The limitations on tax levies provided in this section are
18 to include all other general or special levies provided by law.
19 Notwithstanding other provisions of law, the only exceptions to the
20 limits in this section are those provided by or authorized by sections
21 77-3442 to 77-3444.

22 (~~13~~ 12) Tax levies in excess of the limitations in this section
23 shall be considered unauthorized levies under section 77-1606 unless
24 approved under section 77-3444.

25 (~~14~~ 13) For purposes of sections 77-3442 to 77-3444, political
26 subdivision means a political subdivision of this state and a county
27 agricultural society.

28 (~~15~~ 14) For school districts that file a binding resolution on or
29 before May 9, 2008, with the county assessors, county clerks, and county
30 treasurers for all counties in which the school district has territory
31 pursuant to subsection (7) of section 79-458, if the combined levies,

1 except levies for bonded indebtedness approved by the voters of the
2 school district and levies for the refinancing of such bonded
3 indebtedness, are in excess of the greater of (a) one dollar and twenty
4 cents per one hundred dollars of taxable valuation of property subject to
5 the levy or (b) the maximum levy authorized by a vote pursuant to section
6 77-3444, all school district levies, except levies for bonded
7 indebtedness approved by the voters of the school district and levies for
8 the refinancing of such bonded indebtedness, shall be considered
9 unauthorized levies under section 77-1606.

10 Sec. 8. Section 77-3443, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 77-3443 (1) All political subdivisions, other than (a) school
13 districts, community colleges, natural resources districts, educational
14 service units, cities, villages, counties, municipal counties, rural and
15 suburban fire protection districts that have levy authority pursuant to
16 subsection (10) of section 77-3442, and sanitary and improvement
17 districts and (b) political subdivisions subject to municipal allocation
18 under subsection (2) of this section, may levy taxes as authorized by law
19 which are authorized by the county board of the county or the council of
20 a municipal county in which the greatest portion of the valuation is
21 located, which are counted in the county or municipal county levy limit
22 provided in section 77-3442, and which do not collectively total more
23 than fifteen cents per one hundred dollars of taxable valuation on any
24 parcel or item of taxable property for all governments for which
25 allocations are made by the municipality, county, or municipal county,
26 except that such limitation shall not apply to property tax levies for
27 preexisting lease-purchase contracts approved prior to July 1, 1998, for
28 bonded indebtedness approved according to law and secured by a levy on
29 property, and for payments by a public airport to retire interest-free
30 loans from the Department of Aeronautics in lieu of bonded indebtedness
31 at a lower cost to the public airport. The county board or council shall

1 review and approve or disapprove the levy request of all political
2 subdivisions subject to this subsection. The county board or council may
3 approve all or a portion of the levy request and may approve a levy
4 request that would allow the requesting political subdivision to levy a
5 tax at a levy greater than that permitted by law. The county board of a
6 county or the council of a municipal county which contains a transit
7 authority created pursuant to section 14-1803 shall allocate no less than
8 three cents per one hundred dollars of taxable property within the city
9 or municipal county subject to the levy to the transit authority if
10 requested by such authority. For any political subdivision subject to
11 this subsection that receives taxes from more than one county or
12 municipal county, the levy shall be allocated only by the county or
13 municipal county in which the greatest portion of the valuation is
14 located. The county board of equalization shall certify all levies by
15 October 15 to insure that the taxes levied by political subdivisions
16 subject to this subsection do not exceed the allowable limit for any
17 parcel or item of taxable property. The levy allocated by the county or
18 municipal county may be exceeded as provided in section 77-3444.

19 (2) All city airport authorities established under the Cities
20 Airport Authorities Act, community redevelopment authorities established
21 under the Community Development Law, transit authorities established
22 under the Transit Authority Law, and offstreet parking districts
23 established under the Offstreet Parking District Act may be allocated
24 property taxes as authorized by law which are authorized by the city,
25 village, or municipal county and are counted in the city or village levy
26 limit or municipal county levy limit provided by section 77-3442, except
27 that such limitation shall not apply to property tax levies for
28 preexisting lease-purchase contracts approved prior to July 1, 1998, for
29 bonded indebtedness approved according to law and secured by a levy on
30 property, and for payments by a public airport to retire interest-free
31 loans from the Department of Aeronautics in lieu of bonded indebtedness

1 at a lower cost to the public airport. For offstreet parking districts
2 established under the Offstreet Parking District Act, the tax shall be
3 counted in the allocation by the city proportionately, by dividing the
4 total taxable valuation of the taxable property within the district by
5 the total taxable valuation of the taxable property within the city
6 multiplied by the levy of the district. The city council of a city which
7 has created a transit authority pursuant to section 14-1803 or the
8 council of a municipal county which contains a transit authority shall
9 allocate no less than three cents per one hundred dollars of taxable
10 property subject to the levy to the transit authority if requested by
11 such authority. The city council, village board, or council shall review
12 and approve or disapprove the levy request of the political subdivisions
13 subject to this subsection. The city council, village board, or council
14 may approve all or a portion of the levy request and may approve a levy
15 request that would allow a levy greater than that permitted by law. The
16 levy allocated by the municipality or municipal county may be exceeded as
17 provided in section 77-3444.

18 (3) On or before August 1, all political subdivisions subject to
19 county, municipal, or municipal county levy authority under this section
20 shall submit a preliminary request for levy allocation to the county
21 board, city council, village board, or council that is responsible for
22 levying such taxes. The preliminary request of the political subdivision
23 shall be in the form of a resolution adopted by a majority vote of
24 members present of the political subdivision's governing body. The
25 failure of a political subdivision to make a preliminary request shall
26 preclude such political subdivision from using procedures set forth in
27 section 77-3444 to exceed the final levy allocation as determined in
28 subsection (4) of this section.

29 (4) Each county board, city council, village board, or council shall
30 (a) adopt a resolution by a majority vote of members present which
31 determines a final allocation of levy authority to its political

1 subdivisions and (b) forward a copy of such resolution to the chairperson
2 of the governing body of each of its political subdivisions. No final
3 levy allocation shall be changed after September 1 except by agreement
4 between both the county board, city council, village board, or council
5 which determined the amount of the final levy allocation and the
6 governing body of the political subdivision whose final levy allocation
7 is at issue.

8 Sec. 9. This act becomes operative on July 1, 2016.

9 Sec. 10. Original sections 13-303, 13-2809, 35-508, 35-509,
10 35-514.02, 35-517, and 77-3443, Reissue Revised Statutes of Nebraska, and
11 section 77-3442, Revised Statutes Cumulative Supplement, 2014, are
12 repealed.