

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 9

FINAL READING

Introduced by Blood, 3; Sanders, 45.

Read first time January 07, 2021

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to real property; to amend sections 16-118 and
2 77-1344, Revised Statutes Cumulative Supplement, 2020; to change
3 provisions relating to annexation of land and the special valuation
4 of agricultural or horticultural land within cities and villages; to
5 repeal the original sections; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 16-118, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 16-118 For purposes of sections 16-117 and 16-130:

4 (1) Lands ,—lands, lots, tracts, streets, or highways shall be
5 deemed contiguous although a stream, embankment, strip, or parcel of land
6 not more than two hundred feet wide lies between the same and the
7 corporate limits; and —

8 (2) In counties in which at least three cities of the first class
9 are located, lands, lots, tracts, streets, or highways shall be deemed
10 contiguous although property owned by the federal government lies between
11 the same and the corporate limits, so long as the lands, lots, tracts,
12 streets, or highways sought to be annexed are adjacent to or contiguous
13 with the property owned by the federal government. The annexation of any
14 lands, lots, tracts, streets, or highways described in this subdivision
15 shall not result in any change in the service area of any electric
16 utility without the express agreement of the electric utility serving the
17 area comprising such annexed lands, lots, tracts, streets, or highways at
18 the time of annexation, except that at such time following the annexation
19 of the lands, lots, tracts, streets, or highways as the city lawfully
20 annexes sufficient intervening area so as to directly connect the lands,
21 lots, tracts, streets, or highways to the primary area of the city, such
22 lands, lots, tracts, streets, or highways shall, solely for the purposes
23 of section 70-1008, be treated as if they had been annexed by the city on
24 the date upon which the intervening area had been formally annexed.

25 Sec. 2. Section 77-1344, Revised Statutes Cumulative Supplement,
26 2020, is amended to read:

27 77-1344 (1) Agricultural or horticultural land which has an actual
28 value as defined in section 77-112 reflecting purposes or uses other than
29 agricultural or horticultural purposes or uses shall be assessed as
30 provided in subsection (3) of section 77-201 if the land meets the
31 qualifications of this subsection and an application for such special

1 valuation is filed and approved pursuant to section 77-1345. In order for
2 the land to qualify for special valuation, all of the following criteria
3 shall be met: (a) The land must be located outside the corporate
4 boundaries of any sanitary and improvement district, city, or village
5 except as provided in subsection (2) of this section; and (b) the land
6 must be agricultural or horticultural land. If the land consists of five
7 contiguous acres or less, the owner or lessee of the land must also
8 provide an Internal Revenue Service Schedule F documenting a profit or
9 loss from farming for two out of the last three years in order for such
10 land to qualify for special valuation.

11 (2) Special valuation may be applicable to agricultural or
12 horticultural land included within the corporate boundaries of a city or
13 village if:

14 (a) The ~~the~~ land is subject to a conservation or preservation
15 easement as provided in the Conservation and Preservation Easements Act
16 and the governing body of the city or village approves the agreement
17 creating the easement;

18 (b) The land is subject to air installation compatible use zone
19 regulations; or

20 (c) The land is within a flood plain.

21 (3) The eligibility of land for the special valuation provisions of
22 this section shall be determined each year as of January 1. If the land
23 so qualified becomes disqualified on or before December 31 of that year,
24 it shall continue to receive the special valuation until January 1 of the
25 year following.

26 (4) The special valuation placed on such land by the county assessor
27 under this section shall be subject to equalization by the county board
28 of equalization and the Tax Equalization and Review Commission.

29 Sec. 3. Original sections 16-118 and 77-1344, Revised Statutes
30 Cumulative Supplement, 2020, are repealed.

31 Sec. 4. Since an emergency exists, this act takes effect when

1 passed and approved according to law.