

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 787

Introduced by Groene, 42; Albrecht, 17; Clements, 2; Erdman, 47;
Halloran, 33.

Read first time January 05, 2022

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to the Nebraska Budget Act; to amend section
2 13-502, Reissue Revised Statutes of Nebraska, and section 13-503,
3 Revised Statutes Cumulative Supplement, 2020; to change provisions
4 relating to the applicability of the act; to redefine a term; and to
5 repeal the original sections.

6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-502, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-502 (1) The purpose of the Nebraska Budget Act is to require
4 governing bodies of this state to which the act applies to follow
5 prescribed budget practices and procedures and make available to the
6 public pertinent information pertaining to the financial requirements and
7 expectations of such governing bodies so that intelligent and informed
8 support, opposition, criticism, suggestions, or observations can be made
9 by those affected.

10 (2) The act shall not apply to governing bodies which have a budget
11 of less than five thousand dollars per year.

12 (3) The act shall not apply to proprietary functions of
13 municipalities for which a separate budget has been approved by the city
14 council or village board as provided in the Municipal Proprietary
15 Function Act.

16 (4) The Nebraska Budget Act shall not apply to any governing body
17 for any fiscal year in which the governing body will not have a property
18 tax request or receive state aid as defined in section 13-518, except
19 that a joint entity created pursuant to the Interlocal Cooperation Act
20 that receives tax funds generated under section 2-3226.05 from the
21 parties to the interlocal agreement shall be subject to the Nebraska
22 Budget Act regardless of whether or not such joint entity will have a
23 property tax request or receive state aid.

24 (5) The act shall not apply to any public power district or public
25 power and irrigation district organized pursuant to Chapter 70, article
26 6, to any rural power district organized pursuant to Chapter 70, article
27 8, or to any agency created pursuant to sections 18-2426 to 18-2434.

28 Sec. 2. Section 13-503, Revised Statutes Cumulative Supplement,
29 2020, is amended to read:

30 13-503 For purposes of the Nebraska Budget Act, unless the context
31 otherwise requires:

1 (1) Governing body means the governing body of any county
2 agricultural society, elected county fair board, joint airport authority
3 formed under the Joint Airport Authorities Act, city or county airport
4 authority, bridge commission created pursuant to section 39-868, cemetery
5 district, city, village, municipal county, community college, community
6 redevelopment authority, county, drainage or levee district, educational
7 service unit, rural or suburban fire protection district, historical
8 society, hospital district, irrigation district, learning community,
9 natural resources district, nonprofit county historical association or
10 society for which a tax is levied under subsection (1) of section
11 23-355.01, public building commission, railroad transportation safety
12 district, reclamation district, road improvement district, rural water
13 district, school district, sanitary and improvement district, township,
14 offstreet parking district, transit authority, regional metropolitan
15 transit authority, metropolitan utilities district, Educational Service
16 Unit Coordinating Council, political subdivision with the authority to
17 have a property tax request, with the authority to levy a toll, or that
18 receives state aid, and joint entity created pursuant to the Interlocal
19 Cooperation Act that receives tax funds generated under section 2-3226.05
20 from the parties to the interlocal agreement;

21 (2) Levying board means any governing body which has the power or
22 duty to levy a tax;

23 (3) Fiscal year means the twelve-month period used by each governing
24 body in determining and carrying on its financial and taxing affairs;

25 (4) Tax means any general or special tax levied against persons,
26 property, or business for public purposes as provided by law but shall
27 not include any special assessment;

28 (5) Auditor means the Auditor of Public Accounts;

29 (6) Cash reserve means funds required for the period before revenue
30 would become available for expenditure but shall not include funds held
31 in any special reserve fund;

1 (7) Public funds means all money, including nontax money, used in
2 the operation and functions of governing bodies. For purposes of a
3 county, city, or village which has a lottery established under the
4 Nebraska County and City Lottery Act, only those net proceeds which are
5 actually received by the county, city, or village from a licensed lottery
6 operator shall be considered public funds, and public funds shall not
7 include amounts awarded as prizes;

8 (8) Adopted budget statement means a proposed budget statement which
9 has been adopted or amended and adopted as provided in section 13-506.
10 Such term shall include additions, if any, to an adopted budget statement
11 made by a revised budget which has been adopted as provided in section
12 13-511;

13 (9) Special reserve fund means any special fund set aside by the
14 governing body for a particular purpose and not available for expenditure
15 for any other purpose. Funds created for (a) the retirement of bonded
16 indebtedness, (b) the funding of employee pension plans, (c) the purposes
17 of the Political Subdivisions Self-Funding Benefits Act, (d) the purposes
18 of the Local Option Municipal Economic Development Act, (e) voter-
19 approved sinking funds, or (f) statutorily authorized sinking funds shall
20 be considered special reserve funds;

21 (10) Biennial period means the two fiscal years comprising a
22 biennium commencing in odd-numbered or even-numbered years used by a
23 city, village, or natural resources district in determining and carrying
24 on its financial and taxing affairs; and

25 (11) Biennial budget means (a) a budget by a city of the primary or
26 metropolitan class that adopts a charter provision providing for a
27 biennial period to determine and carry on the city's financial and taxing
28 affairs, (b) a budget by a city of the first or second class or village
29 that provides for a biennial period to determine and carry on the city's
30 or village's financial and taxing affairs, or (c) a budget by a natural
31 resources district that provides for a biennial period to determine and

1 carry on the natural resources district's financial and taxing affairs.

2 Sec. 3. Original section 13-502, Reissue Revised Statutes of
3 Nebraska, and section 13-503, Revised Statutes Cumulative Supplement,
4 2020, are repealed.