

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1008

Introduced by Wightman, 36; Burling, 33; Fulton, 29; Heidemann, 1; Nantkes, 46; Nelson, 6.

Read first time January 16, 2008

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 32-519, Reissue Revised Statutes of Nebraska, sections
3 13-520 and 23-3202, Revised Statutes Cumulative
4 Supplement, 2006, and sections 77-1339, 77-1340, 77-1342,
5 and 77-3442, Revised Statutes Supplement, 2007; to change
6 budget limitations; to require reimbursement by counties
7 to the state for property tax assessment services; to
8 provide for reassumption of the assessment function by
9 counties by July 1, 2011; to change tax levy limitations;
10 to harmonize provisions; to provide operative dates; to
11 repeal the original sections; and to outright repeal
12 sections 77-1340.01, 77-1340.02, and 77-1340.03, Reissue
13 Revised Statutes of Nebraska, and section 77-1340,
14 Revised Statutes Supplement, 2007, as amended by section

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LB 1008

1 4 of this legislative bill.

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

1 Section 1. Section 13-520, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 13-520 The limitations in section 13-519 shall not apply
4 to (1) restricted funds budgeted for capital improvements, (2)
5 restricted funds expended from a qualified sinking fund for
6 acquisition or replacement of tangible personal property with a
7 useful life of five years or more, (3) restricted funds pledged
8 to retire bonded indebtedness, used by a public airport to retire
9 interest-free loans from the Department of Aeronautics in lieu of
10 bonded indebtedness at a lower cost to the public airport, or used
11 to pay other financial instruments that are approved and agreed to
12 before July 1, 1999, in the same manner as bonds by a governing
13 body created under section 35-501, (4) restricted funds budgeted
14 in support of a service which is the subject of an agreement or
15 a modification of an existing agreement whether operated by one
16 of the parties to the agreement or by an independent joint entity
17 or joint public agency, (5) restricted funds budgeted to pay for
18 repairs to infrastructure damaged by a natural disaster which is
19 declared a disaster emergency pursuant to the Emergency Management
20 Act, (6) restricted funds budgeted to pay for judgments, except
21 judgments or orders from the Commission of Industrial Relations,
22 obtained against a governmental unit which require or obligate a
23 governmental unit to pay such judgment, to the extent such judgment
24 is not paid by liability insurance coverage of a governmental unit,
25 ~~or~~ (7) the dollar amount by which restricted funds budgeted by a

1 natural resources district to administer and implement ground water
2 management activities and integrated management activities under
3 the Nebraska Ground Water Management and Protection Act exceed
4 its restricted funds budgeted to administer and implement ground
5 water management activities and integrated management activities
6 for FY2003-04, or (8) restricted funds budgeted to pay for the
7 reassumption of the assessment function pursuant to section 77-1340
8 or section 7 of this act in fiscal years 2009-10, 2010-11, and
9 2011-12.

10 Sec. 2. Section 23-3202, Revised Statutes Cumulative
11 Supplement, 2006, is amended to read:

12 23-3202 No person, ~~except the Property Tax Administrator~~
13 ~~performing the assessment function pursuant to section 77-1340,~~
14 shall be eligible to file for, be appointed to, or hold the office
15 of county assessor or serve as deputy assessor in any county of
16 this state unless he or she holds a county assessor certificate
17 issued pursuant to section 77-422.

18 Sec. 3. Section 32-519, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 32-519 (1) Except as provided in ~~sections 22-417 and~~
21 ~~77-1340,~~ section 22-417, at the statewide general election in 1990
22 and each four years thereafter, a county assessor shall be elected
23 in each county having a population of more than three thousand
24 five hundred inhabitants and more than one thousand two hundred tax
25 returns. The county assessor shall serve for a term of four years.

1 (2) The county board of any county shall order the
2 submission of the question of electing a county assessor in the
3 county to the registered voters of the county at the next statewide
4 general election upon presentation of a petition to the county
5 board (a) conforming to the provisions of section 32-628, (b)
6 not less than sixty days before any statewide general election,
7 (c) signed by at least ten percent of the registered voters of
8 the county secured in not less than two-fifths of the townships
9 or precincts of the county, and (d) asking that the question be
10 submitted to the registered voters in the county. The form of
11 submission upon the ballot shall be as follows: For election of
12 county assessor; Against election of county assessor. If a majority
13 of the votes cast on the question are against the election of a
14 county assessor in such county, the duties of the county assessor
15 shall be performed by the county clerk and the office of county
16 assessor shall either cease with the expiration of the term of
17 the incumbent or continue to be abolished if no such office exists
18 at such time. If a majority of the votes cast on the question
19 are in favor of the election of a county assessor, the office
20 shall continue or a county assessor shall be elected at the next
21 statewide general election.

22 (3) The county assessor shall meet the qualifications
23 found in sections 23-3202 and 23-3204. The county assessor shall be
24 elected on the partisan ballot.

25 Sec. 4. Section 77-1339, Revised Statutes Supplement,

1 2007, is amended to read:

2 77-1339 (1) Any two or more ~~contiguous~~ counties may enter
3 into an agreement for joint or cooperative performance of the
4 assessment function.

5 (2) Such agreement shall provide for:

6 (a) The division, merger, or consolidation of
7 administrative functions between or among the parties, or the
8 performance thereof by one county on behalf of all the parties;

9 (b) The financing of the joint or cooperative
10 undertaking;

11 (c) The rights and responsibilities of the parties with
12 respect to the direction and supervision of work to be performed
13 under the agreement;

14 (d) The duration of the agreement and procedures for
15 amendment or termination thereof; and

16 (e) Any other necessary or appropriate matters.

17 (3) The agreement may provide for the suspension of the
18 powers and duties of the office of county assessor in any one or
19 more of the parties.

20 (4) Unless the agreement provides for the performance
21 of the assessment function by the assessor of one county for
22 and on behalf of all other counties party thereto, the agreement
23 shall prescribe the manner of electing the assessor, and the
24 employees of the office, who shall serve pursuant to the agreement.
25 Each county party to the agreement shall be represented in the

1 procedure for choosing such assessor. No person shall be appointed
2 assessor pursuant to an agreement who could not be so appointed
3 for a single county. Except to the extent made necessary by the
4 multicounty character of the assessment agency, qualifications for
5 employment as assessor or in the assessment agency and terms and
6 conditions of work shall be similar to those for the personnel
7 of a single county assessment agency. Any county may include in
8 any one or more of its employee benefit programs an assessor
9 serving pursuant to an agreement made under this section and the
10 employees of the assessment agency. As nearly as practicable, such
11 inclusion shall be on the same basis as for similar employees
12 of a single county only. An agreement providing for the joint
13 or cooperative performance of the assessment function may provide
14 for such assessor and employee coverage in county employee benefit
15 programs.

16 (5) No agreement made pursuant to the provisions of this
17 section shall take effect until it has been approved in writing by
18 the Tax Commissioner.

19 (6) Copies of any agreement made pursuant to the
20 provisions of this section, and of any amendment thereto, shall be
21 filed in the office of the Tax Commissioner and county board of the
22 counties involved.

23 Sec. 5. Section 77-1340, Revised Statutes Supplement,
24 2007, is amended to read:

25 77-1340 (1) The county board of a county may, by

1 resolution, request the Property Tax Administrator to assume the
2 duties, responsibilities, and authority of the county assessor and
3 to perform the same in and for the county. Such a resolution must
4 be adopted on or before October 31, 2006, and every other year
5 thereafter.

6 (2) If the Property Tax Administrator finds that direct
7 state performance of the duties, responsibilities, and authority
8 of the county assessor will be either (a) necessary or desirable
9 for the economic and efficient performance thereof or (b) necessary
10 or desirable for improving the quality of assessment in the
11 state, he or she may recommend assumption of such duties,
12 responsibilities, and authority. The Tax Commissioner shall decide
13 whether to recommend assumption and deliver such recommendation to
14 the Governor and the Legislature by December 15, 2006, and every
15 other year thereafter.

16 (3) The Tax Commissioner may recommend assuming the
17 duties, responsibilities, and authority of the county assessor or
18 reject assuming such duties, responsibilities, and authority. If
19 the Tax Commissioner rejects the request, the assessment function
20 shall not be transferred and the county may make another request.

21 (4) Upon a recommendation by the Tax Commissioner that
22 the assumption of the assessment function should be undertaken
23 according to the criteria in subsection (2) of this section, the
24 Tax Commissioner shall request from the Legislature a sufficient
25 appropriation in the next regular session of the Legislature

1 following the recommendation to assume the assessment function. If
2 the appropriation is not made, the Tax Commissioner shall notify
3 the county on or before July 1 that the assessment function will
4 not be undertaken. If a sufficient appropriation is made, the Tax
5 Commissioner shall notify the county on or before July 1 that the
6 assessment function will be undertaken beginning the next following
7 July 1.

8 (5) If the Tax Commissioner recommends assumption of
9 the assessment function and the Legislature makes an appropriation
10 which the Tax Commissioner determines is sufficient to undertake
11 the assumption, then commencing on the second July 1 after the
12 adoption of the resolution by the county board, (a) the Property
13 Tax Administrator shall undertake and perform the assessment
14 function and all other duties and functions of the county
15 assessor's office, including appraisal and reappraisal, (b) the
16 office and functions of the county assessor shall be suspended, and
17 (c) the performance of the assessment function by the Property Tax
18 Administrator shall be deemed performance by the county assessor.
19 Upon the assumption of the assessment function by the Property Tax
20 Administrator, the term of office of the incumbent county assessor
21 shall terminate and the county need no longer elect a county
22 assessor pursuant to section 32-519. At that time, the county
23 assessor and the employees of the county assessor's office shall
24 become state employees with the status of newly hired employees
25 except as provided in section 77-1340.02. No transferred county

1 assessor or employee shall incur a loss of income or the right to
2 participate in state-sponsored benefits as a result of becoming a
3 state employee with the status of a newly hired employee pursuant
4 to this section.

5 (6) The Property Tax Administrator shall bill each county
6 for which the Property Tax Administrator has assumed the assessment
7 function under this section for the services rendered on a
8 quarterly basis. Beginning July 1, 2009, through June 30, 2010, the
9 Property Tax Administrator shall bill thirty-three percent of the
10 cost of the services rendered; and beginning July 1, 2010, through
11 June 30, 2011, the Property Tax Administrator shall bill sixty-six
12 percent of the cost of the services rendered. Reimbursements to
13 the Department of Revenue shall be credited to the Department of
14 Revenue Property Assessment Division Cash Fund.

15 (7) The county board of a county may, by resolution,
16 reassume the assessment function prior to September 1, 2008, for
17 fiscal year 2009-10 and prior to September 1, 2009, for fiscal
18 year 2010-11. The county board shall appoint an individual with a
19 valid assessor's certificate to the position of county assessor.
20 The appointment shall be effective July 1 of the year following
21 the county board's action. The appointed county assessor, on July
22 1 of such year, shall assume the title and perform the assessment
23 functions and any other duties mandated of the office of county
24 assessor. The appointed assessor shall continue to perform the
25 county assessor's duties until an assessor is elected in the next

1 election. At the close of business on June 30 of the year following
2 the county board's action, the Property Tax Administrator shall
3 cease his or her performance of the county assessment function. The
4 Property Tax Administrator shall at that time transfer all books,
5 files, and similar records with regard to the county assessment
6 function of the county to the county assessor. All contracts
7 of the Department of Revenue pertaining to the operation of the
8 county assessment function shall be assumed by the county until
9 the expiration of the contract. On July 1 of the year following
10 the county board's act, the employees of the Department of Revenue
11 involved in the performance of the county assessment function in
12 that county shall become county employees.

13 Sec. 6. Section 77-1342, Revised Statutes Supplement,
14 2007, is amended to read:

15 77-1342 There is hereby created a fund to be known as
16 the Department of Revenue Property Assessment Division Cash Fund
17 to which shall be credited all money received by the Department
18 of Revenue for services performed for county and multicounty
19 assessment districts, for charges for publications, manuals, and
20 lists, as an assessor's examination fee authorized by section
21 77-421, and under the provisions of sections 60-3,202, 77-684,
22 ~~and~~ 77-1250, and 77-1340. The fund shall be used to carry out
23 any duties and responsibilities of the department. The county or
24 multicounty assessment district shall be billed by the department
25 for services rendered. Reimbursements to the department shall be

1 credited to the fund, and expenditures therefrom shall be made only
2 when such funds are available. The department shall only bill for
3 the actual amount expended in performing the service.

4 The fund shall not, at the close of each year, be
5 lapsed to the General Fund. Any money in the Department of Revenue
6 Property Assessment Division Cash Fund available for investment
7 shall be invested by the state investment officer pursuant to
8 the Nebraska Capital Expansion Act and the Nebraska State Funds
9 Investment Act.

10 Any money in the Department of Property Assessment and
11 Taxation Cash Fund on July 1, 2007, shall be transferred to the
12 Department of Revenue Property Assessment Division Cash Fund on
13 such date.

14 Sec. 7. (1) On July 1, 2011, the Property Tax
15 Administrator shall relinquish the property assessment function
16 in all counties that transferred the assessment function to the
17 Property Tax Administrator and have not reassumed the assessment
18 function prior to such date.

19 (2) On July 1, 2011, the employees of the Department
20 of Revenue involved in the performance of the county assessment
21 function shall become county employees.

22 (3) At the close of business on June 30, 2011, the
23 Property Tax Administrator shall cease his or her performance of
24 the county assessment function and the county assessor appointed
25 pursuant to subsection (4) of this section shall assume the county

1 assessment function. The Property Tax Administrator shall at that
2 time transfer all books, files, and similar records with regard
3 to the county assessment function of the county to the county
4 assessor.

5 (4) The county board shall appoint an individual with a
6 valid assessor's certificate to the position of county assessor.
7 The appointment shall be effective July 1, 2011. The appointed
8 county assessor, on July 1, 2011, shall assume the title and
9 perform the assessment functions and any other duties mandated
10 of the office of county assessor. The appointed assessor shall
11 continue to perform the county assessor's duties until an assessor
12 is elected in the next election.

13 (5) The Property Tax Administrator shall provide to each
14 county board on or before August 1, 2008, a line-item allocation
15 of its total cost of the assessment function for the fiscal year
16 ending June 30, 2008. This allocation of costs shall also identify
17 the costs attributable to those employees that perform duties in
18 more than one county.

19 (6) All contracts of the Department of Revenue pertaining
20 to the operation of the county assessment function shall be assumed
21 by the county until the expiration of the contract.

22 (7) Counties where employees of the department provide
23 services to more than one county shall enter into an agreement
24 pursuant to section 77-1339 for the continued performance of the
25 services provided by the employee. No agreement pursuant to section

1 77-1339 is necessary if one of the counties in which the employee
2 is providing services agrees to retain the employee as a permanent
3 full-time employee.

4 Sec. 8. (1) (a) On the date of employment transfer,
5 all employees of the Department of Revenue transferred to a
6 county pursuant to section 77-1340 or section 7 of this act shall
7 immediately have the right to participate in the particular county
8 employees retirement plan and shall have all retirement funds
9 transferred from the State Employees Retirement System.

10 (b) For transferred employees who are transferring
11 retirement funds, the amount transferred shall equal the employee
12 and employer accounts of the transferring employee plus earnings on
13 those amounts during the period of employment with the state.

14 (2) Upon the completion of the transfer of funds pursuant
15 to subsection (1) of this section, the transferred employee shall
16 receive vesting credit for such employee's years of participation
17 in the retirement system of the county from which the employee
18 was transferred plus all years of participation in the retirement
19 system of the state. Each employee that was employed after the
20 assessment function transfer from the county shall receive vesting
21 credit for such employee's years of participation in the State
22 Employees Retirement System.

23 Sec. 9. (1) The state shall transfer all accrued sick
24 leave of an employee of the Department of Revenue transferred to a
25 county pursuant to section 77-1340 or section 7 of this act up to

1 the maximum number of accumulated hours for sick leave allowed by
2 the county. The state shall reimburse the county for twenty-five
3 percent of the value of the accrued sick leave hours based on the
4 straight-time rate of pay for each employee.

5 (2) The transferred employee may transfer the maximum
6 amount of accrued annual leave earned as an employee of the state
7 and allowed by the county. The state shall reimburse the county for
8 one hundred percent of the value of the hours of accrued annual
9 leave transferred.

10 (3) Subsections (1) and (2) of this section shall not
11 apply to an employee who is appointed to the position of county
12 assessor by the county board. Such employee shall be paid for his
13 or her accrued annual leave based upon his or her straight-time
14 rate of pay and for one-fourth of his or her accrued sick leave
15 based upon his or her straight-time rate of pay.

16 (4) A transferred employee may credit years of service
17 with both the county and state toward the accrual rate for sick
18 leave and annual leave plans. When accrued sick leave and annual
19 leave for a transferred employee are at a greater rate value than
20 allowed by the county's sick leave and annual leave plans, the
21 state shall pay the employee the difference between the value
22 of the benefits allowed by the county and the state based on
23 twenty-five percent of the employee's straight-time rate of pay
24 for the sick leave and one hundred percent of the employee's
25 straight-time rate of pay for annual leave. The state shall

1 reimburse the counties and employee not later than December 31,
2 2011.

3 (5) The transferred employee shall not receive any
4 additional accrual rate value for county benefits until the
5 employee meets the qualifications for the increased accrual rates
6 pursuant to the county's requirements.

7 (6) The transferred employee may participate in and be
8 covered by the county's insurance program. The waiting period
9 for medical insurance coverage of transferred employees shall be
10 waived.

11 (7) For purposes of this section, straight-time rate of
12 pay means the rate of pay in effect on June 30 of the year of
13 transfer.

14 Sec. 10. Section 77-3442, Revised Statutes Supplement,
15 2007, is amended to read:

16 77-3442 (1) Property tax levies for the support of local
17 governments for fiscal years beginning on or after July 1, 1998,
18 shall be limited to the amounts set forth in this section except as
19 provided in section 77-3444.

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

1 (b) For each fiscal year, learning communities may levy
2 a maximum levy for the general fund budgets of member school
3 districts equal to the local effort rate prescribed in section
4 79-1015.01 for such fiscal year. The proceeds from the levy
5 pursuant to this subdivision shall be distributed pursuant to
6 section 79-1073.

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

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

1 (e) Federal aid school districts may exceed the maximum
2 levy prescribed by subdivision (2)(a) or (2)(c) of this section
3 only to the extent necessary to qualify to receive federal aid
4 pursuant to Title VIII of Public Law 103-382, as such title existed
5 on September 1, 2001. For purposes of this subdivision, federal
6 aid school district means any school district which receives ten
7 percent or more of the revenue for its general fund budget from
8 federal government sources pursuant to Title VIII of Public Law
9 103-382, as such title existed on September 1, 2001.

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

1 pursuant to this subdivision (f) of this subsection on or before
2 February 15 for school fiscal years 2004-05 through 2007-08.

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

8 (h) For each fiscal year, learning communities may levy
9 a maximum levy of five cents on each one hundred dollars of
10 taxable property subject to the levy for elementary learning center
11 facilities and for up to fifty percent of the estimated cost for
12 capital projects approved by the learning community coordinating
13 council pursuant to section 79-2111.

14 (3) Community colleges may levy a maximum levy calculated
15 pursuant to the Community College Foundation and Equalization Aid
16 Act on each one hundred dollars of taxable property subject to the
17 levy.

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

21 (b) Natural resources districts shall also have the power
22 and authority to levy a tax equal to the dollar amount by which
23 their restricted funds budgeted to administer and implement ground
24 water management activities and integrated management activities
25 under the Nebraska Ground Water Management and Protection Act

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

6 (c) In addition, natural resources districts located in
7 a river basin, subbasin, or reach that has been determined to
8 be fully appropriated pursuant to section 46-714 or designated
9 as overappropriated pursuant to section 46-713 by the Department
10 of Natural Resources shall also have the power and authority to
11 levy a tax equal to the dollar amount by which their restricted
12 funds budgeted to administer and implement ground water management
13 activities and integrated management activities under the Nebraska
14 Ground Water Management and Protection Act exceed their restricted
15 funds budgeted to administer and implement ground water management
16 activities and integrated management activities for FY2005-06, not
17 to exceed three cents on each one hundred dollars of taxable
18 valuation on all of the taxable property within the district for
19 fiscal year 2006-07 and each fiscal year thereafter through fiscal
20 year 2011-12.

21 (5) Educational service units may levy a maximum levy of
22 one and one-half cents per one hundred dollars of taxable valuation
23 of property subject to the levy.

24 (6)(a) Incorporated cities and villages which are not
25 within the boundaries of a municipal county may levy a maximum levy

1 of forty-five cents per one hundred dollars of taxable valuation
2 of property subject to the levy plus an additional five cents per
3 one hundred dollars of taxable valuation to provide financing for
4 the municipality's share of revenue required under an agreement
5 or agreements executed pursuant to the Interlocal Cooperation Act
6 or the Joint Public Agency Act. The maximum levy shall include
7 amounts levied to pay for sums to support a library pursuant
8 to section 51-201, museum pursuant to section 51-501, visiting
9 community nurse, home health nurse, or home health agency pursuant
10 to section 71-1637, or statue, memorial, or monument pursuant to
11 section 80-202.

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

21 (7) Sanitary and improvement districts which have been in
22 existence for more than five years may levy a maximum levy of forty
23 cents per one hundred dollars of taxable valuation of property
24 subject to the levy, and sanitary and improvement districts which
25 have been in existence for five years or less shall not have

1 a maximum levy. Unconsolidated sanitary and improvement districts
2 which have been in existence for more than five years and are
3 located in a municipal county may levy a maximum of eighty-five
4 cents per hundred dollars of taxable valuation of property subject
5 to the levy.

6 (8) Counties may levy or authorize a maximum levy of
7 fifty cents per one hundred dollars of taxable valuation of
8 property subject to the levy, except that five cents per one
9 hundred dollars of taxable valuation of property subject to the
10 levy may only be levied to provide financing for the county's
11 share of revenue required under an agreement or agreements executed
12 pursuant to the Interlocal Cooperation Act or the Joint Public
13 Agency Act. The maximum levy shall include amounts levied to pay
14 for sums to support a library pursuant to section 51-201 or museum
15 pursuant to section 51-501. The county may allocate up to fifteen
16 cents of its authority to other political subdivisions subject
17 to allocation of property tax authority under subsection (1) of
18 section 77-3443 and not specifically covered in this section to
19 levy taxes as authorized by law which do not collectively exceed
20 fifteen cents per one hundred dollars of taxable valuation on any
21 parcel or item of taxable property. The county may allocate to
22 one or more other political subdivisions subject to allocation
23 of property tax authority by the county under subsection (1) of
24 section 77-3443 some or all of the county's five cents per one
25 hundred dollars of valuation authorized for support of an agreement

1 or agreements to be levied by the political subdivision for the
2 purpose of supporting that political subdivision's share of revenue
3 required under an agreement or agreements executed pursuant to the
4 Interlocal Cooperation Act or the Joint Public Agency Act. If an
5 allocation by a county would cause another county to exceed its
6 levy authority under this section, the second county may exceed
7 the levy authority in order to levy the amount allocated. Property
8 tax levies for costs of reassumption of the assessment function
9 pursuant to section 77-1340 or section 7 of this act are not
10 included in the levy limits established in this subsection for
11 fiscal years 2009-10, 2010-11, and 2011-12.

12 (9) Municipal counties may levy or authorize a maximum
13 levy of one dollar per one hundred dollars of taxable valuation
14 of property subject to the levy. The municipal county may allocate
15 levy authority to any political subdivision or entity subject to
16 allocation under section 77-3443.

17 (10) Property tax levies for judgments, except judgments
18 or orders from the Commission of Industrial Relations, obtained
19 against a political subdivision which require or obligate a
20 political subdivision to pay such judgment, to the extent such
21 judgment is not paid by liability insurance coverage of a
22 political subdivision, for preexisting lease-purchase contracts
23 approved prior to July 1, 1998, for bonded indebtedness approved
24 according to law and secured by a levy on property, and for
25 payments by a public airport to retire interest-free loans from the

1 Department of Aeronautics in lieu of bonded indebtedness at a lower
2 cost to the public airport are not included in the levy limits
3 established by this section.

4 (11) The limitations on tax levies provided in this
5 section are to include all other general or special levies
6 provided by law. Notwithstanding other provisions of law, the
7 only exceptions to the limits in this section are those provided by
8 or authorized by sections 77-3442 to 77-3444.

9 (12) Tax levies in excess of the limitations in this
10 section shall be considered unauthorized levies under section
11 77-1606 unless approved under section 77-3444.

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

15 Sec. 11. Sections 1, 2, 3, 12, and 14 of this act become
16 operative on July 1, 2011. The other sections of this act become
17 operative on their effective date.

18 Sec. 12. Original section 32-519, Reissue Revised
19 Statutes of Nebraska, section 23-3202, Revised Statutes Cumulative
20 Supplement, 2006, and section 77-1339, Revised Statutes Supplement,
21 2007, are repealed.

22 Sec. 13. Original section 13-520, Revised Statutes
23 Cumulative Supplement, 2006, and sections 77-1340, 77-1342, and
24 77-3442, Revised Statutes Supplement, 2007, are repealed.

25 Sec. 14. The following sections are outright repealed:

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1 Sections 77-1340.01, 77-1340.02, and 77-1340.03, Reissue Revised
2 Statutes of Nebraska, and section 77-1340, Revised Statutes
3 Supplement, 2007, as amended by section 4 of this legislative bill.