

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 430**

Introduced by Langemeier, 23

Read first time January 16, 2007

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 77-3442, Revised Statutes Cumulative Supplement, 2006; to  
3 change property tax levies; and to repeal the original  
4 section.

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

1           Section 1. Section 77-3442, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           77-3442 (1) Property tax levies for the support of local  
4 governments for fiscal years beginning on or after July 1, 1998,  
5 shall be limited to the amounts set forth in this section except as  
6 provided in section 77-3444.

7           (2) (a) Except as provided in subdivision (2) (d) of this  
8 section, school districts and multiple-district school systems,  
9 except learning communities and school districts that are members  
10 of learning communities, may levy a maximum levy of one dollar and  
11 five cents per one hundred dollars of taxable valuation of property  
12 subject to the levy for fiscal year 2007-08 and one dollar for one  
13 hundred dollars of taxable valuation of property subject to the  
14 levy for fiscal year 2008-09 and all subsequent fiscal years.

15           (b) Except as provided in subdivision (2) (d) of this  
16 section, for fiscal year 2008-09 and each fiscal year thereafter,  
17 (i) learning communities may levy a maximum levy for the general  
18 fund budgets of member school districts equal to the ratio of the  
19 aggregate difference of one hundred ten percent of the formula  
20 needs as calculated pursuant to section 79-1007.02 minus the amount  
21 of state aid certified pursuant to section 79-1022 and minus the  
22 other actual receipts included in local system formula resources  
23 pursuant to section 79-1018.01 for each member school district  
24 for such school fiscal year divided by each one hundred dollars  
25 of taxable property subject to the levy, except that such levy

1 shall not exceed ~~one dollar and two~~ ninety-seven cents on each  
2 one hundred dollars of taxable property subject to the levy, and  
3 (ii) school districts that are members of learning communities  
4 may levy a maximum levy of the difference of ~~one dollar and two~~  
5 ninety-seven cents on each one hundred dollars of taxable property  
6 subject to the levy minus the learning community levy pursuant to  
7 this subdivision for purposes of such school district's general  
8 fund budget and special building funds.

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

19 (d) Federal aid school districts may exceed the maximum  
20 levy prescribed by subdivision (2)(a) or (b) of this section  
21 only to the extent necessary to qualify to receive federal aid  
22 pursuant to Title VIII of Public Law 103-382, as such title existed  
23 on September 1, 2001. For purposes of this subdivision, federal  
24 aid school district means any school district which receives ten  
25 percent or more of the revenue for its general fund budget from

1 federal government sources pursuant to Title VIII of Public Law  
2 103-382, as such title existed on September 1, 2001.

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

21 (f) For fiscal year 2008-09 and each fiscal year  
22 thereafter, learning communities may levy a maximum levy of two  
23 cents on each one hundred dollars of taxable property subject to  
24 the levy for special building funds for member school districts.

25 (g) For fiscal year 2008-09 and each fiscal year

1 thereafter, learning communities may levy a maximum levy of one  
2 cent on each one hundred dollars of taxable property subject to the  
3 levy for the learning community budget and for projects approved by  
4 the learning community coordinating council.

5 (3) Community colleges may levy a maximum levy on each  
6 one hundred dollars of taxable property subject to the levy of  
7 seven cents, plus amounts allowed under subsection (7) of section  
8 85-1536.01, except that any community college whose valuation per  
9 reported aid equivalent student as defined in section 85-1503 was  
10 less than eighty-two percent of the average valuation per statewide  
11 reimbursable reported aid equivalent total as defined in section  
12 85-1503 for all community colleges for fiscal year 1997-98 may levy  
13 up to an additional one-half cent for each of fiscal years 2005-06  
14 and 2006-07 upon a three-fourths majority vote of the board.

15 (4) Natural resources districts may levy a maximum levy  
16 of four and one-half cents per one hundred dollars of taxable  
17 valuation of property subject to the levy. Natural resources  
18 districts shall also have the power and authority to levy a  
19 tax equal to the dollar amount by which their restricted funds  
20 budgeted to administer and implement ground water management  
21 activities and integrated management activities under the Nebraska  
22 Ground Water Management and Protection Act exceed their restricted  
23 funds budgeted to administer and implement ground water management  
24 activities and integrated management activities for FY2003-04,  
25 not to exceed one cent on each one hundred dollars of taxable

1 valuation annually on all of the taxable property within the  
2 district. In addition, natural resources districts located in a  
3 river basin, subbasin, or reach that has been determined to be  
4 fully appropriated pursuant to section 46-714 or designated as  
5 overappropriated pursuant to section 46-713 by the Department of  
6 Natural Resources shall also have the power and authority to  
7 levy a tax equal to the dollar amount by which their restricted  
8 funds budgeted to administer and implement ground water management  
9 activities and integrated management activities under the Nebraska  
10 Ground Water Management and Protection Act exceed their restricted  
11 funds budgeted to administer and implement ground water management  
12 activities and integrated management activities for FY2005-06, not  
13 to exceed three cents on each one hundred dollars of taxable  
14 valuation on all of the taxable property within the district for  
15 fiscal year 2006-07 and not to exceed two cents on each one  
16 hundred dollars of taxable valuation annually on all of the taxable  
17 property within the district for fiscal years 2007-08 and 2008-09.

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

21 (6)(a) Incorporated cities and villages which are not  
22 within the boundaries of a municipal county may levy a maximum levy  
23 of forty-five cents per one hundred dollars of taxable valuation  
24 of property subject to the levy plus an additional five cents per  
25 one hundred dollars of taxable valuation to provide financing for

1 the municipality's share of revenue required under an agreement  
2 or agreements executed pursuant to the Interlocal Cooperation Act  
3 or the Joint Public Agency Act. The maximum levy shall include  
4 amounts levied to pay for sums to support a library pursuant  
5 to section 51-201, museum pursuant to section 51-501, visiting  
6 community nurse, home health nurse, or home health agency pursuant  
7 to section 71-1637, or statue, memorial, or monument pursuant to  
8 section 80-202.

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

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

1 cents per hundred dollars of taxable valuation of property subject  
2 to the levy.

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



1 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
2 allocation by a county would cause another county to exceed its  
3 levy authority under this section, the second county may exceed the  
4 levy authority in order to levy the amount allocated.

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

10 (10) Property tax levies for judgments, except judgments  
11 or orders from the Commission of Industrial Relations, obtained  
12 against a political subdivision which require or obligate a  
13 political subdivision to pay such judgment, to the extent such  
14 judgment is not paid by liability insurance coverage of a  
15 political subdivision, for preexisting lease-purchase contracts  
16 approved prior to July 1, 1998, for bonded indebtedness approved  
17 according to law and secured by a levy on property, and for  
18 payments by a public airport to retire interest-free loans from the  
19 Department of Aeronautics in lieu of bonded indebtedness at a lower  
20 cost to the public airport are not included in the levy limits  
21 established by this section.

22 (11) The limitations on tax levies provided in this  
23 section are to include all other general or special levies  
24 provided by law. Notwithstanding other provisions of law, the  
25 only exceptions to the limits in this section are those provided by

1 or authorized by sections 77-3442 to 77-3444.

2 (12) Tax levies in excess of the limitations in this  
3 section shall be considered unauthorized levies under section  
4 77-1606 unless approved under section 77-3444.

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

8 Sec. 2. Original section 77-3442, Revised Statutes  
9 Cumulative Supplement, 2006, is repealed.