



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 592

Chairperson: Mike Friend
Committee: Urban Affairs
Date of Hearing: February 20, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 592 amends section 31-766 of the current law. This section currently states that when a city annexes part of a Road Improvement District, a Sanitary Improvement District or a Fire Protection District an agreement must be reached between the city and the governing body of the affected district regarding the distribution of assets and liabilities. Current law also state that if the two parties cannot agree on the distribution of these assets and liabilities then it is up to the district court to make the decision on this distribution.

In the event an agreement is not reached and the issue is settled by the court, LB 592 would prohibit the court from allocating the Fire Protection District's bonded indebtedness to the annexing city or village. It will require the property owners in the annexed area to continue to pay their share of the Fire Protection District's bonds, eliminating the burden of paying for the bonded indebtedness on the existing residents of the city or village.

Principal Introducer: _____
Senator Abbie Cornett