

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 402

FINAL READING

(SECOND)

Introduced by Avery, 28; Campbell, 25; Coash, 27; Fulton, 29; Haar, 21; McGill, 26; Nantkes, 46; Wallman, 30.

Read first time January 16, 2009

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to political subdivisions; to amend sections  
2 13-2611 and 13-2612, Reissue Revised Statutes of  
3 Nebraska; to change provisions relating to the elections  
4 for bonds under the Convention Center Facility Financing  
5 Assistance Act; to extend the application acceptance  
6 deadline under the Convention Center Facility Financing  
7 Assistance Act; to authorize the investment of public  
8 endowment funds; to provide operative dates; to repeal  
9 the original sections; and to declare an emergency.

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

1           Section 1. Section 13-2611, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           13-2611 (1) The applicant political subdivision may issue  
4 from time to time its bonds and refunding bonds to finance and  
5 refinance the acquisition, construction, improving, and equipping  
6 of eligible facilities and appurtenant public facilities that are a  
7 part of the same project. The bonds may be sold by the applicant  
8 in such manner and for such price as the applicant determines, at  
9 a discount, at par, or at a premium, at private negotiated sale or  
10 at public sale, after notice published prior to the sale in a legal  
11 newspaper having general circulation in the political subdivision  
12 or in such other medium of publication as the applicant deems  
13 appropriate. The bonds shall have a stated maturity of thirty years  
14 or less and shall bear interest at such rate or rates and otherwise  
15 be issued in accordance with the respective procedures and with  
16 such other terms and provisions as are established, permitted, or  
17 authorized by applicable state laws and home rule charters for the  
18 type of bonds to be issued. Such bonds may be secured as to payment  
19 in whole or in part by a pledge, as shall be determined by the  
20 applicant, from the income, proceeds, and revenue of the eligible  
21 facilities financed with proceeds of such bonds, from the income,  
22 proceeds, and revenue of any of its eligible facilities, or from  
23 its revenue and income, including its sales, use, or occupation tax  
24 revenue, fees, or receipts, as may be determined by the applicant.  
25 The applicant may further secure the bonds by a mortgage or deed

1 of trust encumbering all or any portion of the eligible facilities  
2 and by a bond insurance policy or other credit support facility. No  
3 general obligation bonds, except refunding bonds, shall be issued  
4 until authorized by greater than ~~fifty-one~~ fifty percent of the  
5 applicant's electors voting on the question as to their issuance at  
6 a ~~statewide regular primary or general~~ any election as defined in  
7 section 32-108. The face of the bonds shall plainly state that the  
8 bonds and the interest thereon shall not constitute nor give rise  
9 to an indebtedness, obligation, or pecuniary liability of the state  
10 nor a charge against the general credit, revenue, or taxing power  
11 of the state. Bonds of the applicant are declared to be issued  
12 for an essential public and governmental purpose and, together with  
13 interest thereon and income therefrom, shall be exempt from all  
14 state income taxes.

15 (2) All payments to political subdivisions under the  
16 Convention Center Facility Financing Assistance Act are made  
17 subject to specific appropriation for such purpose. Nothing in  
18 the act precludes the Legislature from amending or repealing the  
19 act at any time.

20 Sec. 2. Section 13-2612, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22 13-2612 The board shall not accept applications  
23 for assistance under the Convention Center Facility Financing  
24 Assistance Act after ~~June 1, 2010.~~ December 31, 2012.

25 Sec. 3. Pursuant to Article XI, section 1, of the

1 Constitution of Nebraska, the Legislature authorizes the investment  
2 of public endowment funds by any city having a population of  
3 more than five thousand inhabitants in the manner required of a  
4 prudent investor who shall act with care, skill, and diligence  
5 under the prevailing circumstance and in such investments as the  
6 governing body of such city, acting in a fiduciary capacity for the  
7 exclusive purpose of protecting and benefiting such investment, may  
8 determine.

9           Sec. 4. Sections 1, 2, and 5 of this act become operative  
10 three calendar months after the adjournment of this legislative  
11 session. The other sections of this act become operative on their  
12 effective date.

13           Sec. 5. Original sections 13-2611 and 13-2612, Reissue  
14 Revised Statutes of Nebraska, are repealed.

15           Sec. 6. Since an emergency exists, this act takes effect  
16 when passed and approved according to law.