

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 381

Introduced by Rogert, 16.

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 10-615, 32-404, 77-1917.01, and 77-3443, Reissue Revised
3 Statutes of Nebraska, and section 77-3442, Revised
4 Statutes Cumulative Supplement, 2008; to adopt the
5 Community Improvement District Act and the Transportation
6 Development District Act; to harmonize provisions; and to
7 repeal the original sections.

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

1 Section 1. Sections 1 to 19 of this act shall be known
2 and may be cited as the Community Improvement District Act.

3 Sec. 2. For purposes of the Community Improvement
4 District Act:

5 (1) Approval or approve, for purposes of elections
6 pursuant to the act, means a simple majority of those qualified
7 voters voting in the election;

8 (2) Assessed value means the assessed value of real
9 property as reflected on the tax records as of the last completed
10 assessment;

11 (3) Blighted area has the same meaning as in section
12 18-2103;

13 (4) Board means if the district is a political
14 subdivision, the board of directors of the district, or if the
15 district is a nonprofit corporation, the board of directors of such
16 corporation;

17 (5) District means a community improvement district
18 established pursuant to the act;

19 (6) Election authority means the election commissioner or
20 county clerk having jurisdiction over the majority of the area in
21 which the boundaries of the district are located;

22 (7) Municipal clerk means the clerk of the municipality;

23 (8) Municipality means any city, village, or county of
24 this state;

25 (9) Obligations means bonds, loans, debentures, notes,

1 special certificates, or other evidences of indebtedness issued by
2 a district to carry out any of its powers, duties, or purposes or
3 to refund outstanding obligations;

4 (10) Owner means, for real property, the individual or
5 individuals or entity or entities who own a fee interest in real
6 property that is located within the district or their legally
7 authorized representatives; for business organizations and other
8 entities, the owner shall be deemed to be the individual or
9 individuals who are legally authorized to represent the entity in
10 regard to the district;

11 (11) Per capita means one head count applied to each
12 individual, entity, or group of individuals or entities having
13 fee ownership of real property within the district whether such
14 individual, entity, or group owns one or more parcels of real
15 property in the district as joint tenants or tenants in common,
16 except that with respect to a condominium, per capita means one
17 head count applied to the applicable unit owners' association and
18 not to each unit owner;

19 (12) Petition means a petition to establish a district as
20 it may be amended in accordance with section 4 of this act;

21 (13) Qualified voters means:

22 (a) For purposes of elections for approval of real
23 property taxes:

24 (i) Registered voters who reside within the district; or

25 (ii) If no registered voters reside in the district, the

1 owner or owners of one or more parcels of real property which is or
 2 are to be subject to such real property taxes and which is or are
 3 located within the district per the real property records of the
 4 register of deeds of the county where the district is located as of
 5 the thirtieth day prior to the date of the applicable election;

6 (b) For purposes of elections for approval of business
 7 license taxes or sales taxes:

8 (i) Registered voters who reside within the district; or

9 (ii) If no registered voters reside in the district, the
 10 owner or owners of one or more parcels of real property located
 11 within the district per the real property records of the register
 12 of deeds of the county where the district is located as of the
 13 thirtieth day prior to the date of the applicable election; and

14 (c) For purposes of the election of directors of the
 15 board, registered voters and the owner or owners of real property
 16 which is or are not exempt from assessment or levy of taxes by the
 17 district and which is or are located within the district per the
 18 real property records of the register of deeds of the county where
 19 the district is located as of the thirtieth day prior to the date
 20 of the applicable election;

21 (14) Registered voters means persons who reside within
 22 the district and who are qualified and registered to vote pursuant
 23 to the records of the election authority as of the thirtieth day
 24 prior to the date of the applicable election; and

25 (15) Substandard areas has the same meaning as in section

1 18-2103.

2 Sec. 3. (1) The governing body of any municipality may
3 establish one or more districts in the manner provided in the
4 Community Improvement District Act.

5 (2) The boundaries of the district shall be contiguous.

6 (3) Each district shall be either a political subdivision
7 of the state or a nonprofit corporation organized pursuant to
8 Nebraska law.

9 (4) If a proposed district is a nonprofit corporation,
10 such corporation shall be organized and in good standing at the
11 time the petition for the proposed district is filed with the
12 municipal clerk.

13 (5) The name of the district shall include the
14 words community improvement district, and if it is a nonprofit
15 corporation, it shall be the same as the name of the nonprofit
16 corporation.

17 Sec. 4. (1) Upon receipt of a proper petition filed with
18 its municipal clerk, the governing body of the municipality in
19 which the proposed district is located shall hold a public hearing
20 in accordance with section 5 of this act and may adopt an ordinance
21 to establish the proposed district.

22 (2) A petition is proper if, based on the real property
23 records of the register of deeds of the county where the district
24 is located as of the time of filing the petition with the municipal
25 clerk, it meets the following requirements:

1 (a) It has been signed by owners collectively owning more
2 than fifty percent by assessed value of the real property within
3 the boundaries of the proposed district;

4 (b) It has been signed by more than fifty percent per
5 capita of all owners of real property within the boundaries of the
6 proposed district;

7 (c) It contains the following information:

8 (i) The legal description of the proposed district,
9 including a map illustrating the district boundaries;

10 (ii) The name of the proposed district;

11 (iii) A notice that the signatures of the signers may not
12 be withdrawn later than seven days after the petition is filed with
13 the municipal clerk;

14 (iv) A five-year plan stating a description of the
15 purposes of the proposed district, the services it will provide,
16 the improvements it will make, and an estimate of costs of these
17 services and improvements to be incurred;

18 (v) A statement as to whether the district will be a
19 political subdivision or a nonprofit corporation and, if it is to
20 be a nonprofit corporation, the name of the nonprofit corporation;

21 (vi) If the district is to be a political subdivision, a
22 statement as to whether the district will be governed by a board
23 elected by the district or appointed by the municipality;

24 (vii) If the district is to be a political subdivision,
25 the number of directors to serve on the board;

1 (viii) The total assessed value, as reflected by the tax
2 records of the county where the proposed district is located, of
3 all real property within the proposed district;

4 (ix) A statement as to whether the petitioners are
5 seeking a determination that the proposed district, or any legally
6 described portion thereof, is a blighted area or a substandard
7 area;

8 (x) The proposed length of time for the existence of the
9 district;

10 (xi) The maximum rates of real property taxes that may be
11 submitted to the qualified voters for approval if a property tax
12 may be imposed;

13 (xii) The maximum rates of special assessments and
14 respective methods of assessment that may be proposed by petition;

15 (xiii) The limitations, if any, on the borrowing capacity
16 of the district;

17 (xiv) The limitations, if any, on the revenue generation
18 of the district;

19 (xv) Other limitations, if any, on the powers of the
20 district;

21 (xvi) A request that the district be established; and

22 (xvii) Any other items the petitioners deem appropriate;
23 and

24 (d) The signature block for each real property owner
25 signing the petition shall be in substantially the following form

1 and contain the following information:

2 Name of owner:

3 Owner's telephone number and mailing address:

4

5 If signer is different from owner:

6 Name of signer:

7 State basis of legal authority to sign:

8

9 Signer's telephone number and mailing address:

10

11 If the owner is an individual, state if owner is single
12 or married:

13 If owner is not an individual, state what type of entity:

14

15 Map and parcel number and assessed value of each
16 tract of real property within the proposed district owned:

17

18 By executing this petition, the undersigned represents
19 and warrants that he or she is authorized to execute this
20 petition on behalf of the property owner named immediately above

21

22 Signature of person signing for owner

23 Date

24 STATE OF NEBRASKA)

25)ss.

1 COUNTY OF)

2 Before me personally appeared, to me
3 personally known to be the individual described in and who executed
4 the foregoing instrument.

5 WITNESS my hand and official seal this day
6 of (month), (year).

7

8 Notary Public

9 My Commission Expires:

10 (3) Upon receipt of a petition the municipal clerk
11 shall, within a reasonable time not to exceed thirty days after
12 receipt of the petition, review and determine whether the petition
13 substantially complies with the requirements of subsection (2) of
14 this section. If the municipal clerk receives a petition which
15 does not meet the requirements of subsection (2) of this section,
16 the municipal clerk shall, within a reasonable time, return the
17 petition to the submitting party by hand delivery, first-class
18 mail, postage prepaid, or other efficient means of return and shall
19 specify which requirements have not been met.

20 (4) After the close of the public hearing required
21 pursuant to subsection (1) of this section, the governing body
22 of the municipality may adopt an ordinance approving the petition
23 and establishing a district as set forth in the petition and may
24 determine, if requested in the petition, whether the district, or
25 any legally described portion thereof, constitutes a blighted area

1 or a substandard area.

2 (5) Amendments to a petition may be made which do not
3 change the proposed boundaries of the proposed district if an
4 amended petition meeting the requirements of subsection (2) of this
5 section is filed with the municipal clerk at the following times
6 and the following requirements have been met:

7 (a) At any time prior to the close of the public hearing
8 required pursuant to subsection (1) of this section, if notice
9 of the contents of the amended petition is given at the public
10 hearing;

11 (b) At any time after the public hearing and prior to
12 the adoption of an ordinance establishing the proposed district,
13 if notice of the amendments to the petition is given by publishing
14 the notice in a newspaper of general circulation within the
15 municipality and by sending the notice by registered or certified
16 United States mail with a return receipt attached to the address
17 of record of each owner of record of real property within the
18 boundaries of the proposed district per the real property records
19 of the register of deeds of the county where the district is
20 located as of a date no earlier than ten days prior to the mailing.
21 Such notice shall be published and mailed not less than ten days
22 prior to the adoption of the ordinance establishing the district;
23 and

24 (c) At any time after the adoption of any ordinance
25 establishing the district, if a public hearing on the amended

1 petition is held and notice of the public hearing is given in the
2 manner provided in section 5 of this act and the governing body
3 of the municipality in which the district is located adopts an
4 ordinance approving the amended petition after the public hearing
5 is held.

6 (6) Upon the creation of a district, the municipal clerk
7 shall report in writing the creation of such district to the
8 Department of Economic Development.

9 Sec. 5. (1) Within a reasonable time, not to exceed
10 forty-five days, after the receipt of the verified petition from
11 the municipal clerk, the governing body shall hold or cause to
12 be held a public hearing on the establishment of the proposed
13 district and shall give notice of the public hearing in the
14 manner provided in subsection (3) of this section. All reasonable
15 protests, objections, and endorsements shall be heard at the public
16 hearing.

17 (2) The public hearing may be continued to another date
18 without further notice other than a motion to be entered on the
19 minutes fixing the date, time, and place of the continuance of the
20 public hearing.

21 (3) Notice of the public hearing shall be given by
22 publication and mailing. Notice by publication shall be given
23 by publication in a newspaper of general circulation within the
24 municipality once a week for two consecutive weeks prior to the
25 week of the public hearing. Notice by mail shall be given by

1 sending the notice by registered or certified United States mail
2 not less than fifteen days prior to the public hearing with a
3 return receipt attached to the address of record of each owner
4 of record of real property within the boundaries of the proposed
5 district. The published and mailed notices shall include the
6 following:

7 (a) The date, time, and place of the public hearing;

8 (b) A statement that a petition for the establishment of
9 a district has been filed with the municipal clerk;

10 (c) The boundaries of the proposed district by street
11 location, or other readily identifiable means if no street location
12 exists, and a map illustrating the proposed boundaries;

13 (d) A statement that a copy of the petition is available
14 for review at the office of the municipal clerk during regular
15 business hours; and

16 (e) A statement that all interested persons will be given
17 an opportunity to be heard at the public hearing.

18 Sec. 6. (1) Upon the written request of any real property
19 owner within the district, the governing body of the municipality
20 may hold a public hearing for the removal of real property from a
21 district and such real property may be removed from such district
22 by ordinance if:

23 (a) The board consents to the removal of such property;

24 (b) The district can meet its obligations without the
25 revenue generated by or on the real property proposed to be

1 removed; and

2 (c) A public hearing is conducted in the same manner as
3 required by section 5 of this act with notice of the hearing given
4 in the same manner as required by such section and such notice
5 shall include:

6 (i) The date, time, and place of the public hearing;

7 (ii) The name of the district;

8 (iii) The boundaries by street location, or other readily
9 identifiable means if no street location exists of the real
10 property proposed to be removed from the district, and a map
11 illustrating the boundaries of the existing district and the real
12 property proposed to be removed; and

13 (iv) A statement that all interested persons will be
14 given an opportunity to be heard at the public hearing.

15 (2) With the consent of the board, real property may
16 be added to the district by ordinance upon receipt of a proper
17 petition and after a public hearing is held by the governing body
18 of the municipality on the addition of the real property in the
19 manner provided in section 5 of this act. Notice of the public
20 hearing shall be given by publication and mailed to the owners of
21 real property within the boundaries of the district and the area
22 proposed to be added in the manner provided in section 5 of this
23 act. The notice shall include the following information:

24 (a) The time, date, and place of the public hearing;

25 (b) The name of the proposed or established district;

1 (c) The boundaries by street location, or other readily
2 identifiable means if no street location exists, of the real
3 property to be added to the district, and a map showing the
4 boundaries of the existing district and the real property proposed
5 to be added to the district;

6 (d) A statement that a copy of the petition is available
7 for review during regular business hours at the office of the
8 municipal clerk; and

9 (e) A statement that all interested persons will be given
10 an opportunity to be heard at the public hearing.

11 (3) For purposes of this section, a proper petition is
12 one which meets the requirements of section 4 of this act, which
13 requirements shall only apply as to the real property proposed to
14 be added.

15 (4) A public hearing may be held to amend the petition
16 and notice of such amendments may be given simultaneously with a
17 public hearing to alter the district boundaries.

18 Sec. 7. (1) If a district is a political subdivision, the
19 election and qualification of members to the district's board of
20 directors shall be in accordance with this section. If a district
21 is a nonprofit corporation, the election and qualification of
22 members to its board of directors shall be in accordance with
23 Nebraska law.

24 (2) The district shall be governed by a board consisting
25 of at least five but not more than fifteen directors. Each director

1 shall, during his or her entire term:

2 (a) Be at least eighteen years of age;

3 (b) Be either:

4 (i) An owner of real property or of a business operating
5 within the district; or

6 (ii) A registered voter residing within the district; and

7 (c) Have any other qualifications set forth in the
8 petition establishing the district.

9 (3) If there are fewer than five owners of real property
10 located within a district, the board may be comprised of up to five
11 legally authorized representatives of any one or more of the owners
12 of real property located within the district or of any business
13 operating in the district.

14 (4) If the district is a political subdivision, the board
15 shall be elected or appointed as provided in the petition.

16 (5) If the board is to be elected, the election shall be
17 according to section 32-404, 32-556, or 32-559 and other applicable
18 provisions of the Election Act.

19 (6) The director or directors to be elected shall be
20 elected at large. The person receiving the most votes shall be
21 elected to the position having the longest term, the person
22 receiving the second highest number of votes shall be elected to
23 the position having the next longest term, and so forth. For the
24 initial directors, one-half shall serve for a two-year term, and
25 one-half shall serve for a four-year term. If an odd number of

1 directors are elected, the director receiving the least number of
2 votes shall serve for a two-year term or until such director's
3 successor is elected;

4 (7) Successor directors shall be elected in the same
5 manner as the initial directors. Each successor director shall
6 serve a four-year term and shall continue until such director's
7 successor is elected.

8 (8) In the event of a vacancy on the board of directors,
9 the remaining directors shall elect an interim director to fill the
10 vacancy for the unexpired term.

11 (9) If the petition provides that the board is to be
12 appointed by the municipality, such appointments shall be made by
13 the governing body of the municipality. Of the initial appointed
14 directors, one-half shall be appointed to serve for two-year terms
15 and one-half shall be appointed to serve for four-year terms. If
16 an odd number of directors are appointed, the last person appointed
17 shall serve for a two-year term. Each director shall serve until
18 such director's successor is appointed. Successor directors shall
19 be appointed in the same manner as the initial directors and shall
20 serve for a four-year term.

21 (10) If the petition states the names of the initial
22 directors, one-half shall serve for two-year terms, one-half shall
23 serve for four-year terms, and the last person shall serve for a
24 two-year term. Successor directors shall be determined either by
25 the election process or appointment process as provided in the

1 petition.

2 (11) Any director may be removed for cause by a
3 two-thirds affirmative vote of the directors of the board. Written
4 notice of the proposed removal shall be given to all directors
5 prior to action thereon.

6 (12) The board may act on behalf of the district, except
7 that all official acts of the board shall be by written resolution
8 approved by the board.

9 Sec. 8. (1) Each district shall have all the powers,
10 except to the extent any such power has been limited by the
11 petition approved by the governing body of the municipality to
12 establish the district, necessary to carry out and effectuate the
13 purposes and provisions of the Community Improvement District Act
14 including, but not limited to, the following:

15 (a) To adopt, amend, and repeal bylaws, consistent with
16 the act, necessary or convenient to carry out the act;

17 (b) To sue and be sued;

18 (c) To make and enter into contracts and other
19 instruments, with public and private entities, necessary or
20 convenient to exercise its powers and carry out its duties pursuant
21 to the act;

22 (d) To accept grants, guarantees, and donations of
23 property, labor, services, or other things of value from any
24 public or private source;

25 (e) To employ or contract for such managerial,

1 engineering, legal, technical, clerical, accounting, or other
2 services and assistance as it deems advisable;

3 (f) To acquire, by purchase, lease, gift, grant, bequest,
4 devise, or otherwise, any real property within its boundaries,
5 personal property, or any interest in such property;

6 (g) To sell, lease, exchange, transfer, assign, mortgage,
7 pledge, hypothecate, or otherwise encumber or dispose of any real
8 or personal property or any interest in such property;

9 (h) To levy and collect special assessments and taxes as
10 provided in the act, except no such assessments or taxes shall be
11 levied on any property exempt from taxation pursuant to section
12 77-202. Those exempt may voluntarily participate in the assessments
13 or taxes;

14 (i) If the district is a political subdivision, to
15 levy real property taxes as provided in the act, except no such
16 real property taxes shall be levied on any property exempt from
17 taxation pursuant to section 77-202. Those exempt may voluntarily
18 participate in the property tax;

19 (j) If the district is a political subdivision, to levy a
20 sales tax pursuant to the act;

21 (k) To fix, charge, and collect fees, rents, and other
22 charges for use of any of the following:

23 (i) The district's real property, except for public
24 rights-of-way for utilities;

25 (ii) The district's personal property; or

1 (iii) Any of the district's interests in such real or
2 personal property, except for public rights-of-way for utilities;

3 (l) To borrow money from any public or private source and
4 issue obligations and provide security for the repayment of the
5 same as provided in the act;

6 (m) To loan money as provided in the act;

7 (n) To make expenditures, create reserve funds, and use
8 its revenue as necessary to carry out its powers or duties and the
9 provisions and purposes of the act;

10 (o) To enter into one or more agreements with the
11 municipality for the purpose of abating any public nuisance within
12 the boundaries of the district including, but not limited to, the
13 stabilization, repair, or maintenance or demolition and removal
14 of buildings or structures, if the municipality has declared the
15 existence of a public nuisance;

16 (p) To provide assistance to or to construct,
17 reconstruct, install, repair, maintain, operate, and equip any of
18 the following public improvements:

19 (i) Pedestrian or shopping malls and plazas;

20 (ii) Parks, lawns, trees, and any other landscape;

21 (iii) Convention centers, arenas, aquariums, aviaries,
22 and meeting facilities;

23 (iv) Sidewalks, streets, alleys, bridges, ramps, tunnels,
24 overpasses and underpasses, traffic signs and signals, utilities,
25 drainage, water, storm and sewer systems, and other site

- 1 improvements;
- 2 (v) Parking lots, garages, or other facilities;
- 3 (vi) Lakes, dams, and waterways;
- 4 (vii) Streetscape, lighting, benches or other seating
5 furniture, trash receptacles, marquees, awnings, canopies, walls,
6 and barriers;
- 7 (viii) Telephone and information booths, bus stop and
8 other shelters, restrooms, and kiosks;
- 9 (ix) Paintings, murals, display cases, sculptures, and
10 fountains;
- 11 (x) Music, news, and child care facilities; and
- 12 (xi) Any other useful, necessary, or desired public
13 improvement;
- 14 (q) To dedicate to the municipality, with the
15 municipality's consent, streets, sidewalks, parks, and other real
16 property and improvements located within its boundaries for public
17 use;
- 18 (r) With the municipality's consent, to prohibit or
19 restrict vehicular and pedestrian traffic and vendors on streets,
20 alleys, malls, bridges, ramps, sidewalks, and tunnels and to
21 provide the means for access by emergency vehicles to or in such
22 areas;
- 23 (s) To acquire, contract, improve, operate or to contract
24 for the provision of music, news, educational child care, or
25 parking facilities, and buses, minibuses, or other modes of

1 transportation;

2 (t) Within its boundaries, to lease space for sidewalk
3 cafe tables and chairs;

4 (u) To provide or contract for the provision of security
5 personnel, equipment, or facilities for the protection of property
6 and persons within its boundaries;

7 (v) To provide or contract for cleaning, maintenance,
8 and other services to public and private property within its
9 boundaries;

10 (w) To produce and promote any tourism, recreational,
11 or cultural activity, special event, or holiday benefitting the
12 district by, but not limited to, advertising, decoration of any
13 public place in the district, promotion of such activity and
14 special events, and furnishing music in any public place;

15 (x) To support business activity and economic development
16 benefitting the district including, but not limited to, the
17 promotion of business activity, development, and retention, and
18 the recruitment of developers and businesses;

19 (y) To provide or support training programs for employees
20 of businesses within the district;

21 (z) To provide refuse collection and disposal services
22 within the district;

23 (aa) To contract for or conduct economic, planning,
24 marketing, or other studies;

25 (bb) To repair, restore, or maintain any abandoned

1 cemetery on public or private land within the district; and

2 (cc) To carry out any other powers set forth in the act.

3 (2) Each district which is located in a blighted area or
4 substandard area or which includes a blighted area or substandard
5 area shall have the following additional powers:

6 (a) Within its blighted area or substandard area, to
7 contract with any private property owner to demolish and remove,
8 renovate, construct, reconstruct, or rehabilitate any building,
9 structure, or other private improvement owned or to be owned by a
10 private property owner; and

11 (b) To expend its revenue or loan its revenue pursuant
12 to a contract entered into pursuant to this subdivision if the
13 governing body of the municipality has determined that the action
14 to be taken pursuant to such contract is reasonably anticipated to
15 remediate the blighting conditions and will serve a public purpose.

16 (3) Each district shall annually reimburse the
17 municipality for the reasonable and actual expenses incurred by
18 the municipality to establish such district and review annual
19 budgets and reports of such district required to be submitted to
20 the municipality, except that such annual reimbursement shall not
21 exceed one and one-half percent of the revenue collected by the
22 district in such year.

23 (4) Nothing in the act shall be construed to delegate
24 to any district any sovereign right of municipalities to promote
25 order, safety, health, morals, and general welfare of the public,

1 except such police powers, if any, expressly delegated pursuant to
2 the act.

3 (5) The governing body of the municipality establishing
4 the district shall not decrease the level of publicly funded
5 services in the district existing prior to the creation of
6 the district or transfer the financial burden of providing the
7 services to the district unless the services at the same time
8 are decreased throughout the municipality, nor shall the governing
9 body discriminate in the provision of the publicly funded services
10 between areas included in such district and areas not so included.

11 Sec. 9. (1) The fiscal year for the district shall be the
12 same as the fiscal year of the municipality.

13 (2) No earlier than one hundred eighty days and no
14 later than ninety days prior to the first day of each fiscal
15 year, the board shall submit to the municipality a proposed annual
16 budget, setting forth expected expenditures, revenue, and rates
17 of assessments and taxes, if any, for such fiscal year. The
18 municipality may review and comment to the board on this proposed
19 budget, but if such comments are given, the municipality shall
20 provide such written comments to the board no later than sixty days
21 prior to the first day of the relevant fiscal year. Such comments
22 shall not constitute requirements but shall only be recommendations
23 unless otherwise provided in a contract between the district and
24 municipality.

25 (3) The board shall hold an annual meeting and adopt an

1 annual budget no later than thirty days prior to the first day of
2 each fiscal year.

3 (4) Within one hundred twenty days after the end of each
4 fiscal year, the district shall submit a report to the municipal
5 clerk and the Department of Economic Development stating the
6 services provided, revenue collected, and expenditures made by the
7 district during such fiscal year, and copies of written resolutions
8 approved by the board during the fiscal year. The municipal clerk
9 shall retain this report as part of the official records of the
10 municipality and shall also cause this report to be spread upon the
11 records of the governing body.

12 Sec. 10. (1) Each ordinance establishing a district shall
13 set forth the term for the existence of such district which term
14 may be defined as a maximum or definite number of years.

15 (2) Upon receipt by the municipal clerk of a proper
16 petition and after notice and a public hearing, any district may
17 be terminated by ordinance adopted by the governing body of the
18 municipality prior to the expiration of its term if the district
19 has no outstanding obligations. A copy of such ordinance shall be
20 given to the Department of Economic Development.

21 (3) A petition for the termination of a district is
22 proper if:

23 (a) It names the district to be terminated;

24 (b) It has been signed by owners of real property
25 collectively owning more than fifty percent by assessed value of

1 real property within the boundaries of the district;

2 (c) It has been signed by more than fifty percent per
3 capita of owners of real property within the boundaries of the
4 district;

5 (d) It contains a plan for dissolution and distribution
6 of the assets of the district; and

7 (e) The signature block signed by each petitioner is in
8 the form set forth in subdivision (2) (d) of section 4 of this act.

9 (4) The public hearing required by this section shall be
10 held and notice of such public hearing shall be given in the manner
11 set forth in section 5 of this act. The notice shall contain the
12 following information:

13 (a) The date, time, and place of the public hearing;

14 (b) A statement that a petition requesting the
15 termination of the district has been filed with the municipal
16 clerk;

17 (c) A statement that a copy of the petition is available
18 at the office of the municipal clerk during regular business hours;
19 and

20 (d) A statement that all interested parties will be given
21 an opportunity to be heard.

22 (5) Upon expiration or termination of a district, the
23 assets of such district shall be distributed in accordance with the
24 plan for dissolution as approved by ordinance. Every effort should
25 be made by the municipality for the assets of the district to be

1 distributed in such a manner so as to benefit the real property
2 which was formerly a part of the district.

3 Sec. 11. (1) Any district organized as a nonprofit
4 corporation may merge with another district organized as a
5 nonprofit corporation. Such merger shall be conducted under the
6 procedures for merger provided under Nebraska law and shall not
7 become effective unless:

8 (a) The boundaries of the merging districts are
9 contiguous;

10 (b) The articles of merger contain a legal description of
11 the surviving district corporation;

12 (c) The term of existence of the surviving district
13 corporation stated in the articles of merger are equal to the
14 shortest length of time remaining for existence of either merging
15 district corporation as determined by the applicable ordinances
16 establishing the merging district corporations; and

17 (d) A copy of the articles of merger is sent to the
18 Department of Economic Development.

19 (2) If two district corporations merge under this
20 section, the board of directors of the surviving district
21 corporation may continue to levy special assessments against such
22 tracts, lots, or parcels listed in, and in an amount as provided
23 in, a previously authorized petition under section 4 of this act
24 if the level of service stated in such petition is not decreased
25 by the surviving district corporation. A new special assessment

1 petition may be submitted to the surviving district corporation
2 and, if stated in the petition, may supersede or replace the
3 previously authorized special assessment petitions.

4 (3) No merger under this section shall be construed to
5 be a petition for termination under section 10 of this act or to
6 invoke a plan of dissolution as provided in such section.

7 Sec. 12. (1) A district may, at any time, issue revenue
8 bonds and refunding bonds as provided in section 10-615 for the
9 purpose of carrying out any of its powers, duties, or purposes.
10 Such bonds shall be payable out of all, part, or any combination
11 of the revenue of the district or revenue received by contract
12 from another political subdivision of the state and may be further
13 secured by all or any part of any property or any interest in any
14 property by mortgage or any other security interest granted. Such
15 bonds shall be authorized by resolution of the district and, if
16 issued by the district, shall bear such date or dates and shall
17 mature at such time or times, but not more than thirty years from
18 the date of issuance, as the resolution shall specify.

19 (2) No bonds issued by a district that is a political
20 subdivision shall constitute an indebtedness within the meaning
21 of any constitutional, statutory, or charter debt limitation or
22 restriction. No such bond shall be a general obligation of the
23 district, municipality, State of Nebraska, or political subdivision
24 thereof, and such bonds shall not be payable out of any funds
25 or properties other than those specifically pledged as security

1 therefor, unless bonds are issued as an indebtedness of the
2 district with the approval of the qualified voters, in which
3 instance the bonds shall be a general obligation of the district
4 only.

5 (3) Bonds issued pursuant to this section by a district
6 which is a political subdivision, the interest thereon, and any
7 proceeds from such bonds shall be exempt from taxation in the State
8 of Nebraska.

9 (4) The municipality may, pursuant to a cooperative
10 agreement with a district, issue bonds and loan the proceeds of
11 such bonds to the district for the purpose of carrying out the
12 powers, duties, or purposes of the district.

13 Sec. 13. (1) A district may use any one or more of
14 the assessments, taxes, or other funding methods specifically
15 authorized pursuant to the Community Improvement District Act to
16 provide funds to accomplish any power, duty, or purpose of the
17 district.

18 (2) A district may establish different classes of real
19 property within the district for purposes of special assessments.
20 The levy rate for special assessments may vary for each class or
21 subclass of real property based on the level of benefit derived
22 from services or improvements funded, provided, or caused to be
23 provided by the district.

24 (3) Notwithstanding anything in the act to the contrary,
25 any district which is not a political subdivision shall have no

1 power to levy any tax but shall have the power to levy special
2 assessments in accordance with section 15 of this act.

3 Sec. 14. (1) Any municipality in which any part of
4 a district is located may, by ordinance, establish a community
5 improvement district municipal fund in the municipality's treasury.

6 (2) This fund may be used to:

7 (a) Pay the costs of planning, administration, and any
8 improvement authorized in the Community Improvement District Act;

9 (b) Prepare preliminary plans, studies, and engineering
10 reports to determine the feasibility of a public improvement or
11 service; or

12 (c) If ordered by the governing body of the municipality,
13 pay the initial cost of the public improvement or service until
14 obligations have been issued and sold.

15 (3) The fund is not required to be budgeted for
16 expenditure during any year, but the amount of the fund must
17 be stated in the municipality's annual budget. The amount of the
18 fund shall be based on an annual service plan that describes the
19 public improvements and services for the fiscal year.

20 (4) A grant-in-aid or contribution made to the
21 municipality for the planning and preparation of plans for public
22 improvement or service authorized pursuant to the act may be
23 credited to the community improvement district municipal fund.

24 (5) Other political subdivisions may enter into
25 cooperative agreements with the district to make payments in lieu

1 of taxes.

2 Sec. 15. (1) A district may levy by resolution one
3 or more special assessments against real property within its
4 boundaries, upon receipt of and in accordance with a petition
5 signed by:

6 (a) Owners of real property collectively owning more
7 than fifty percent by assessed value of real property within the
8 boundaries of the district which is to be subject to special
9 assessments; and

10 (b) More than fifty percent per capita of the owners of
11 all real property within the boundaries of the district which is to
12 be subject to special assessments.

13 (2) The special assessment petition shall be in
14 substantially the following form:

15 The (insert name of district)
16 Community Improvement District (District) shall be authorized to
17 levy special assessments against real property benefited within the
18 District for the purpose of providing revenue for
19 (insert general description of specific service or projects)
20 in the District, such special assessments to be levied against
21 each tract, lot, or parcel of real property listed below within
22 the District which receives special benefit as a result of such
23 service or projects, the cost of which shall be allocated among
24 this property by (insert method of allocation,
25 for example, per square foot of property, per square foot on

1 each square foot of improvement, or by abutting foot of property
 2 abutting streets, roads, highways, parks, or other improvements,
 3 or any other reasonable method) in an amount not to exceed
 4 dollars per (insert unit of measure). Such authorization
 5 to levy the special assessment shall expire on
 6 (insert date). The tracts of land located in the District which
 7 will receive special benefit from this service or projects are:
 8 (list of properties by common addresses and legal
 9 descriptions).

10 (3) The method for allocating such special assessments
 11 set forth in the petition may be any reasonable method which
 12 results in imposing assessments upon real property benefited in
 13 relation to the benefit conferred upon each respective tract, lot,
 14 or parcel of real property and the cost to provide such benefit.

15 (4) By resolution of the board, the district may levy a
 16 special assessment rate lower than the rate ceiling set forth in
 17 the petition authorizing the special assessment and may increase
 18 such lowered special assessment rate to a level not exceeding the
 19 special assessment rate ceiling set forth in the petition without
 20 further approval of the real property owners. A district imposing
 21 a special assessment pursuant to this section cannot repeal or
 22 amend such special assessment or lower the rate of such special
 23 assessment if such repeal, amendment, or lower rate will impair the
 24 district's ability to pay any liabilities that it has incurred,
 25 money that it has borrowed, or obligations that it has issued.

1 (5) Each special assessment which is due and owing shall
2 constitute a perpetual lien against each tract, lot, or parcel of
3 property from which it is derived. Such lien may be foreclosed in
4 the same manner as any other special assessment lien as provided in
5 section 77-1917.01.

6 (6) A separate fund or account shall be created by the
7 district for each special assessment levied, and each fund or
8 account shall be identifiable by a suitable title. The proceeds of
9 such assessments shall be credited to such fund or account. Such
10 fund or account shall be used solely to pay the costs incurred in
11 undertaking the specified service or improvement.

12 (7) Upon completion of the specified service or
13 improvement or both, the balance remaining in the fund or account
14 established for such specified service or improvement or both
15 shall be returned or credited against the amount of the original
16 assessment of each parcel of property pro rata based on the method
17 of assessment of such special assessment.

18 (8) Any funds in a fund or account created pursuant
19 to this section which are not needed for current expenditures
20 may be invested by the board in accordance with applicable laws
21 relating to the investment of funds of the municipality in which
22 the district is located.

23 (9) The authority of the district to levy special
24 assessments shall be independent of the limitations and authority
25 of the municipality in which it is located.

1 Sec. 16. (1) The district may levy by resolution a
 2 tax upon real property located within the boundaries of the
 3 district, except that no such resolution shall be final nor shall
 4 it take effect until the qualified voters approve the tax which
 5 the resolution seeks to impose at an election held by mail. The
 6 secretary of the board shall, at least fifteen days prior to
 7 the election, mail to the last-known post office address of each
 8 qualified voter, a ballot which shall contain the ballot question
 9 pursuant to subsection (3) of this section and give instructions on
 10 how to vote and return the ballot. If a majority of the votes cast
 11 by the qualified voters voting on the proposed tax are in favor of
 12 the tax, then the resolution and any amendments thereto shall be
 13 in effect. If a majority of the votes cast by the qualified voters
 14 are opposed to the tax, then the resolution is void. Such tax is
 15 subject to the limitations of sections 77-3442 to 77-3444.

16 (2) The district may levy a real property tax rate lower
 17 than the tax rate approved by the qualified voters pursuant to
 18 subsection (1) of this section and may increase that lowered tax
 19 rate to a level not exceeding the maximum tax rate without approval
 20 of the qualified voters.

21 (3) The ballot question shall be substantially in the
 22 following form:

23 Shall the (insert name of district)
 24 Community Improvement District (District) impose a real property
 25 tax upon (all real property) within the District at a rate of

1 not more than (insert amount) dollars per hundred
 2 dollars assessed valuation for a period of (insert
 3 number) years from the date on which such tax is first imposed
 4 for the purpose of providing revenue for (insert
 5 general description of purpose) in the District?

6 (4) No district levying a real property tax pursuant to
 7 this section shall repeal or amend such real property tax or lower
 8 the tax rate of such tax if such repeal, amendment, or lower rate
 9 will impair the district's ability to repay any liabilities which
 10 it has incurred, money which it has borrowed, or obligations that
 11 it has issued to finance any improvements or services rendered
 12 within the district.

13 Sec. 17. (1) The real property taxes and special
 14 assessments made upon all real property within the district shall
 15 be collected in the same manner as other real property taxes
 16 are collected. If the special assessment is based on something
 17 other than the assessed value of real property, the district shall
 18 provide the information on which such special assessment is based
 19 for all applicable real property.

20 (2) The county treasurer shall remit to the treasurer of
 21 the district the amount collected or received on behalf of the
 22 district. The district treasurer shall deposit such sums into the
 23 district treasury, credited to the appropriate fund or account.

24 Sec. 18. (1) Any district formed as a political
 25 subdivision may impose by resolution a district sales and use tax

1 on all retail sales made in such district which are subject to
 2 sales and use tax. Any sales and use tax imposed pursuant to this
 3 section may be imposed in increments of one-eighth of one percent,
 4 up to a maximum of one percent. Such district sales and use tax
 5 may be imposed for any district purpose designated by the district
 6 in its ballot of submission to its qualified voters. No resolution
 7 adopted pursuant to this section shall become effective unless the
 8 board submits to the qualified voters of the district a proposal
 9 to authorize a sales and use tax pursuant to this section at
 10 an election held by mail. The secretary of the board shall, at
 11 least fifteen days prior to the election, mail to the last-known
 12 post office address of each qualified voter, a ballot which shall
 13 contain the ballot question pursuant to subsection (3) of this
 14 section and give instructions on how to vote and return the ballot.
 15 If a majority of the votes cast by the qualified voters voting on
 16 the proposed sales and use tax are in favor of the sales and use
 17 tax, then the resolution is adopted. If a majority of the votes
 18 cast by the qualified voters are opposed to the tax, then the
 19 resolution is void.

20 (2) The ballot question shall be substantially in the
 21 following form:

22 Shall the (insert name of district)
 23 Community Improvement District impose a community improvement
 24 districtwide sales and use tax at the maximum rate
 25 of (insert amount) for a period of

1 (insert number) years from the date on which
 2 such tax is first imposed for the purpose of providing revenue
 3 for (insert general description of the
 4 purpose)?

5 (3) Within ten days after the qualified voters have
 6 approved the imposition of the sales and use tax, the district
 7 shall notify the Department of Revenue. The sales and use tax
 8 authorized by this section shall become effective on the first
 9 day of the second calendar quarter after the Department of Revenue
 10 receives notice of the adoption of such tax.

11 (4) In each district in which a sales and use tax is
 12 imposed pursuant to this section, every retailer shall add such
 13 additional tax imposed by the district to such retailer's sale
 14 price, and when so added such tax shall constitute a part of the
 15 purchase price, shall be a debt of the purchaser to the retailer
 16 until paid, and shall be recoverable at law in the same manner as
 17 the purchase price.

18 (5) All revenue received by the district from a sales and
 19 use tax imposed pursuant to this section which is designated for a
 20 specific purpose shall be deposited into a special trust fund and
 21 expended solely for such purpose. Upon the expiration of any sales
 22 and use tax adopted pursuant to this section, all funds remaining
 23 in the special trust fund shall continue to be used solely for
 24 the specific purpose designated in the resolution adopted by the
 25 qualified voters. Any funds in such special trust fund which are

1 not needed for current expenditures may be invested by the board
2 pursuant to applicable laws relating to the investment of other
3 district funds.

4 (6) A district may repeal by resolution any sales and use
5 tax imposed pursuant to this section before the expiration date of
6 such sales and use tax unless the repeal of such sales and use
7 tax will impair the district's ability to repay any liabilities
8 the district has incurred, money the district has borrowed, or
9 obligation the district has issued to finance any improvements or
10 services rendered for the district.

11 (7) Upon passage of the resolution described in
12 subsection (1) of this section, in lieu of the election referenced
13 in subsection (1) of this section, if no registered voters reside
14 within the district, one hundred percent of the owners of real
15 property in the district, according to real property records of
16 the register of deeds of the county where the district is located
17 as of the date of the submission of the petition to the board
18 of directors of such district as described in this subsection,
19 may authorize a sales and use tax by unanimous petition. Such
20 petition shall include a request that the district impose a sales
21 tax, the maximum rate of the tax, and the maximum duration that
22 the tax is to be imposed. The signature block for each owner
23 signing the petition shall be in substantially the form set forth
24 in subdivision (2)(d) of section 4 of this act and shall contain
25 the same information. Such petition shall be submitted to the

1 board of directors of the district who shall verify that the
2 signatures thereon represent one hundred percent of the owners of
3 real property in the district. The results of such verification
4 shall be entered into the records of the district, and the date of
5 such entry shall be equivalent to the date of the election held
6 under the subsection (1) of this section.

7 Sec. 19. No lawsuit to set aside a district established
8 under the Community Improvement District Act, to set aside a
9 special assessment or a tax levied under the act, or to otherwise
10 question the validity of the proceedings related thereto can be
11 brought more than ninety days after the effective date of the
12 ordinance establishing such district in question, the effective
13 date of the resolution levying such special assessment or tax
14 in question or taking the particular action in question, or the
15 effective date of a merger of two districts under section 11 of
16 this act.

17 Sec. 20. Sections 20 to 55 of this act shall be known and
18 may be cited as the Transportation Development District Act.

19 Sec. 21. For purposes of the Transportation Development
20 District Act:

21 (1) Approval of the required majority or direct voter
22 approval means a simple majority;

23 (2) Board means the board of directors of a district;

24 (3) Court clerk means the clerk of the district court in
25 which a petition to form the district is filed;

1 (4) Department means the Department of Roads;

2 (5) District means a transportation development district
3 organized under the act;

4 (6) Jurisdiction means authority, power, or control over
5 the construction, operation, maintenance, or financing of the
6 subject in question;

7 (7) Local transportation authority means a county, city,
8 town, village, road district, a district established under the
9 act, or other political subdivision having jurisdiction over any
10 bridge, street, highway, dock, wharf, ferry, lake or river port,
11 airport, railroad, light rail, or other transit improvement or
12 service, except that for purposes of subsection (4) of section 34
13 of this act, deletion of a portion of the project following a
14 failed special assessment election, subsection (3) of section 39
15 of this act, construction of a toll facility and relocation of
16 an existing local public street or road, section 42 of this act,
17 purchase, sale, and control of access of certain property, section
18 43 of this act, condemnation, subsection (3) or (4) of section
19 47 of this act, discontinuation or modification of the project,
20 section 51 of this act, regulation of the project, section 52 of
21 this act, local transportation authority control of the project, or
22 section 54 of this act, transfer of the project and abolishment of
23 a district, an existing transportation development district shall
24 not be considered a local transportation authority;

25 (8) Project includes any bridge, street, road, highway,

1 access road, interchange, sidewalk, bike path, walking path or
2 other improvement for pedestrian travel, intersection, signing,
3 signalization, parking lot, bus stop, station, garage, terminal,
4 hangar, shelter, rest area, dock, wharf, lake or river port,
5 airport, railroad, light rail, or other mass transit and any
6 similar or related improvement or infrastructure, along with
7 accessory improvements commonly associated with transportation
8 improvements including drainage, curbs and gutters, landscaping,
9 berming, medians, ramps, shoulders, public utilities, and the
10 maintenance and operation of transportation improvements;

11 (9) Qualified voters means:

12 (a) Any persons residing in a proposed or established
13 district who are registered voters; and

14 (b) The owners of record of all real property located
15 in a proposed or established district, who shall receive one vote
16 per acre. If a registered voter is or becomes a resident within
17 the district and obtains ownership of property within the district,
18 such registered voter must elect whether to vote as an owner of
19 real property or as a registered voter, which election once made
20 cannot thereafter be changed; and

21 (10) Registered voters means persons qualified and
22 registered to vote pursuant to the Election Act.

23 Sec. 22. (1) A district may be created to fund, finance,
24 promote, plan, design, engineer, construct, reconstruct, improve,
25 maintain, operate, manage, and administer one or more projects or

1 to assist in such activities.

2 (2) A district is a political subdivision of the state.

3 (3) Two or more districts may be created to accomplish
4 the activities listed in subsection (1) of this section if no more
5 than one sales tax is imposed upon any property or business to fund
6 the same activity.

7 Sec. 23. (1) Whenever the creation of a district is
8 desired, not less than fifty registered voters from each county
9 partially or totally within the proposed district may file a
10 petition requesting the creation of a district. However, if
11 no persons eligible to be registered voters reside within the
12 district, the owners of record of all of the real property,
13 excluding public streets, located within the proposed district may
14 file a petition requesting the creation of a district. The petition
15 to create a district shall be filed with the district court of the
16 county in which all or a majority of the district being created is
17 located.

18 (2) Alternatively, the governing body of any local
19 transportation authority within any county in which a proposed
20 project may be located may file a petition with the district court
21 of that county, requesting the creation of a district.

22 (3) Except as provided otherwise in this subsection, the
23 proposed district area shall be contiguous and may contain all or
24 any portion of one or more municipalities and counties. Property
25 separated only by public streets, easements, or rights-of-way

1 shall be considered contiguous. In the case of a district formed
2 pursuant to a petition filed by the owners of record of all
3 of the real property located within the proposed district, the
4 proposed district area need not contain contiguous properties if
5 the petition provides that the only funding method for project
6 costs will be a sales tax, all of the real property located within
7 the proposed district will benefit by the projects to be undertaken
8 by the district, and each parcel within the district is within five
9 miles of every other parcel. In the case of a district created
10 pursuant to subsection (5) of this section, property separated only
11 by public streets, easements, or rights-of-way or connected by a
12 single public street, easement, or right-of-way shall be considered
13 contiguous.

14 (4) The petition shall set forth:

15 (a) The name, voting residence, and county of residence
16 of each registered voter who is a petitioner, or, if no persons
17 eligible to be registered voters reside within the proposed
18 district, the name and address of each owner of record of real
19 property located within the proposed district, or shall recite that
20 the petitioner is the governing body of a local transportation
21 authority acting in its official capacity;

22 (b) The name and address of each respondent. Respondents
23 shall include the department and each affected local transportation
24 authority within the proposed district that has jurisdiction over
25 one or more of the proposed district projects, except a petitioning

1 local transportation authority;

2 (c) A legal or other specific description of the proposed
3 district boundaries including a map illustrating such boundaries;

4 (d) A general description of each project proposed to
5 be undertaken by that district, including a description of the
6 approximate location of each project;

7 (e) The estimated project costs and the anticipated
8 revenue to be collected from the project;

9 (f) The name of the proposed district;

10 (g) The number of members of the board of directors of
11 the proposed district, which shall be not less than five nor more
12 than fifteen;

13 (h) A statement that the terms of office of initial board
14 members shall be staggered in approximately equal numbers to expire
15 in one, two, or three years;

16 (i) If the petition was filed by registered voters or by
17 a governing body, a request that the question be submitted to the
18 qualified voters within the limits of the proposed district as to
19 whether a transportation development district will be established
20 to develop a specified project or projects;

21 (j) A proposal for funding the district, pursuant to the
22 authority granted in the Transportation Development District Act,
23 together with a request that the funding proposal be submitted to
24 the qualified voters within the limits of the proposed district;
25 and

1 (k) A statement that the proposed district will not be an
2 undue burden on any owner of property within the district and is
3 not unjust or unreasonable.

4 (5) (a) As an alternative to the methods described in
5 subsections (1) and (2) of this section, if two or more local
6 transportation authorities have adopted resolutions calling for the
7 joint establishment of a district, the governing body of any one
8 such local transportation authority may file a petition in the
9 district court of any county in which the proposed project is
10 located requesting the creation of a district, or, if not less
11 than fifty registered voters from each of two or more counties
12 sign a petition calling for the joint establishment of a district
13 for the purpose of developing a project that lies in whole or in
14 part within those same counties, the petition may be filed with
15 the court of any of those counties in which not less than fifty
16 registered voters have signed the petition.

17 (b) The proposed district area shall be contiguous and
18 may contain all or any portion of one or more municipalities and
19 counties. Property separated only by public streets, easements, or
20 rights-of-way or connected by a single public street, easement, or
21 right-of-way shall be considered contiguous.

22 (c) The petition shall set forth:

23 (i) That the petitioner is the governing body of a local
24 transportation authority acting in its official capacity, or if the
25 petition was filed by obtaining the signatures of not less than

1 fifty registered voters in each of two or more counties, it shall
2 set forth the name, voting residence, and county of residence of
3 each individual petitioner;

4 (ii) The name of each local transportation authority
5 within the proposed district. The resolution of the governing
6 body of each local transportation authority calling for the joint
7 establishment of the district shall be attached to the petition;

8 (iii) The name and address of each respondent.
9 Respondents shall include the department and each local
10 transportation authority within the proposed district that has
11 jurisdiction over one or more of the proposed district projects,
12 except a petitioning local transportation authority;

13 (iv) A legal or other specific description of the
14 proposed district boundaries including a map illustrating such
15 boundaries;

16 (v) A general description of each project proposed to
17 be undertaken by that district, including a description of the
18 approximate location of each project;

19 (vi) The estimated project costs and the anticipated
20 revenue to be collected from the project;

21 (vii) The name of the proposed district;

22 (viii) The number of members of the board of directors of
23 the proposed district, which shall be not less than five nor more
24 than fifteen;

25 (ix) A statement that the terms of office of initial

1 board members shall be staggered in approximately equal numbers to
2 expire in one, two, or three years.

3 (x) If the petition was filed by registered voters or by
4 a governing body, a request that the question be submitted to the
5 qualified voters within the limits of the proposed district as to
6 whether a transportation development district will be established
7 to develop a specified project or projects;

8 (xi) A proposal for funding the district, pursuant to the
9 authority granted in the Transportation Development District Act,
10 together with a request that the funding proposal be submitted to
11 the qualified voters within the limits of the proposed district;
12 and

13 (xii) A statement that the proposed district will not be
14 an undue burden on any owner of property within the district and is
15 not unjust or unreasonable.

16 Sec. 24. (1) The owners of property adjacent to a
17 district formed under the Transportation Development District
18 Act, or within five miles of a district if the requirements
19 of subsection (3) of section 23 of this act are met, may petition
20 the district by unanimous petition to add their property to the
21 district. If the property owners within the district unanimously
22 approve of the addition of property, and if the district approves
23 of the addition of property by resolution, the adjacent properties
24 in the petition shall be added to the district. Any property added
25 under this section shall be subject to all projects, taxes, and

1 special assessments in effect as of the date that the petition is
2 filed with the district for adding the property to the district.
3 The owners of the added property shall be allowed to vote at the
4 next election scheduled for the district to fill vacancies on the
5 board and on any other question submitted to them by the board
6 under the act. The owners of property added under this section
7 shall have one vote per acre in the same manner as provided in
8 subdivision (2)(b) of section 30 of this act.

9 (2) The owners of all of the property located in a
10 district formed under the act may, by unanimous petition filed with
11 the board of directors of the district, remove any property from
12 the district, so long as such removal will not materially affect
13 any obligations of the district.

14 Sec. 25. (1) Within thirty days after the petition is
15 filed, the court clerk shall have the sheriff serve a copy of
16 the petition on the respondents who have thirty days after receipt
17 of service to file an answer stating agreement with or opposition
18 to the creation of the district. If any respondent files its
19 answer opposing the creation of the district, it shall recite legal
20 reasons why the petition is defective, why the proposed district is
21 illegal or unconstitutional, or why the proposed method for funding
22 the district is illegal or unconstitutional. If an answer is filed,
23 the petitioner shall file a request for a declaratory judgment with
24 the district court in which the case is pending. The plaintiff
25 shall ask the court for a determination of the issues. The answer

1 of each respondent shall be served on each petitioner and every
2 other respondent named in the petition. Any resident, any taxpayer,
3 any other entity, or any local transportation authority within the
4 proposed district may, within thirty days after the date notice is
5 last published by the court clerk join in the original petition or
6 file an answer supporting or opposing the creation of the district
7 and seeking a declaratory judgment respecting the same issues.

8 (2) The court shall hear the case without a jury. If the
9 court determines that the petition is defective or the proposed
10 district is illegal or unconstitutional or will be an undue burden
11 on any owner of property within the district or is unjust and
12 unreasonable, it shall enter its declaratory judgment to that
13 effect and the petition shall not be put before the voters. If
14 the court determines that any proposed funding method is illegal
15 or unconstitutional, the court shall enter its judgment striking
16 that funding method in whole or part. If the court determines that
17 the petition is not legally defective and the proposed district
18 and method of funding are neither illegal nor unconstitutional,
19 the court shall enter its judgment to that effect and certify the
20 petition for voter approval.

21 (3) Any party having filed an answer or other form of
22 pleading in the case may appeal the district court's order for
23 declaratory judgment in the same manner provided for other appeals.
24 The district court shall have continuing jurisdiction to enter such
25 orders as are required for the administration of the district after

1 its formation, and any such orders may be processed under the
2 original case number for the district.

3 Sec. 26. If the petition was filed by registered voters
4 or by a governing body, the court clerk shall give notice to
5 the public by publishing in one or more newspapers of general
6 circulation serving the counties or portions thereof within the
7 proposed district, once a week for four consecutive weeks, a notice
8 substantially in the following form:

9 NOTICE OF PETITION TO SUBMIT TO A POPULAR VOTE THE
10 CREATION AND FUNDING OF A TRANSPORTATION DEVELOPMENT DISTRICT

11 Notice is hereby given to all persons residing or owning
12 property in (here specifically describe the proposed district
13 boundaries), within the State of Nebraska, that a petition has been
14 filed asking that upon voter approval, a transportation development
15 district by the name of Transportation
16 Development District be formed for the purpose of developing the
17 following transportation project: (here summarize the proposed
18 transportation project or projects). The petition also requests
19 voter approval of the following method(s) of funding the district,
20 which (may) (shall not) increase the total taxes imposed within
21 the proposed district: (describe the proposed funding methods).

22 A copy of this petition is on file and available at the office
23 of the district court clerk of County, located at
24, Nebraska. You are notified to join in or
25 file your own answer supporting or opposing the creation of the

1 transportation development district and requesting a declaratory
 2 judgment, as required by law, no later than the day
 3 of, 20.. . You may show cause, if any there be, why
 4 such petition is defective or proposed transportation development
 5 district or its funding method, as set forth in the petition, is
 6 illegal or unconstitutional and should not be submitted for voter
 7 approval. County Clerk of
 8 County

9 Sec. 27. (1) A petition ready for voter approval under
 10 section 25 of this act shall be put to the qualified voters at
 11 an election held by mail. The court clerk shall, at least fifteen
 12 days prior to the election, mail to the last-known address of each
 13 qualified voter, a ballot and give instructions on how to vote and
 14 return the ballot.

15 (2) The ballot questions shall be submitted in
 16 substantially the following form:

17 Shall there be organized in (here specifically describe
 18 the proposed district boundaries), within the State of Nebraska,
 19 a transportation development district, to be known as the
 20 Transportation Development District for the purpose
 21 of developing the following transportation project: (here summarize
 22 the proposed project or projects and require each voter to approve
 23 or disapprove of each project) and have the power to fund the
 24 proposed project upon separate voter approval by any or all of the
 25 following methods: (here specifically describe the proposed funding

1 methods and require each voter to approve or disapprove of each
2 proposed funding method)?

3 (3) (a) If the petition was filed pursuant to subsection
4 (5) of section 23 of this act and the district desires to impose
5 a sales tax as the only proposed funding mechanism, the question
6 shall be submitted in substantially the following form:

7 Shall there be organized in (here specifically describe
8 the proposed district boundaries), within the State of Nebraska,
9 a transportation development district, to be known as the
10 Transportation Development District for the purpose
11 of developing the following transportation project: (here summarize
12 the proposed project or projects) and be authorized to impose
13 a transportation development districtwide sales tax at the rate
14 of (insert amount) for a period of
15 (insert number) years from the date on which such tax is first
16 imposed for the purpose of funding the transportation project or
17 projects?

18 (b) If the petition was filed pursuant to subsection (5)
19 of section 23 of this act and the district desires to impose a
20 funding mechanism other than a sales tax, the question shall be
21 submitted in substantially the form set forth in subsection (2)
22 of this section and the proposed funding mechanism shall require
23 separate voter approval at a subsequent election held by mail.

24 (4) The results of the election shall be entered upon the
25 records of the court clerk. Also, a certified copy thereof shall

1 be filed with the county clerk of each county in which a portion
2 of the proposed district lies, who shall cause the same to become
3 part of the records of the county board. If the results show that
4 a majority of the votes cast by the qualified voters were in favor
5 of organizing the district, the court shall declare the district
6 organized and certify the funding methods approved by the qualified
7 voters. If the results show that less than a majority of the votes
8 cast by the qualified voters were in favor of the organization
9 of the district, the question has failed to pass, and the same
10 question shall not be again submitted for voter approval for two
11 years.

12 (5) Notwithstanding the foregoing, if the election was
13 held pursuant to subsection (3) of this section, the results of the
14 election shall be entered upon the records of the district court in
15 which the petition was filed. Also, a certified copy thereof shall
16 be filed with the county clerk of each county in which a portion
17 of the proposed district lies. If the results show that a majority
18 of the votes cast by the qualified voters were in favor of the
19 proposition, the court shall declare the district organized and the
20 funding methods approved by the qualified voters to be in effect.
21 If the results show that less than a majority of the votes cast by
22 the qualified voters were in favor of the proposition, the question
23 has failed to pass, and a new petition shall be filed pursuant to
24 subsection (5) of section 23 of this act prior to the question
25 being again submitted for voter approval.

1 Sec. 28. Each district shall maintain on a regular basis
2 the following information in updated form:

3 (1) The number of qualified voters in the district.
4 (2) Each qualified voter's:
5 (a) Name, address, mailing address, and telephone number;
6 (b) Authorized signature; and
7 (c) Evidence that such person is entitled to vote. Such
8 evidence shall be:

9 (i) For resident individuals, proof of registration from
10 the election commissioner or county clerk; or

11 (ii) For owners of real property, a tax receipt or deed
12 or other document which evidences ownership and identifies the real
13 property by location.

14 Sec. 29. The costs of filing and defending the petition
15 and all publication and incidental costs incurred by petitioners in
16 getting a petition ready for voter approval shall be paid by the
17 petitioners. If a district is organized under the Transportation
18 Development District Act, the petitioners may be reimbursed for
19 such costs out of the revenue received by the district.

20 Sec. 30. (1) If any persons eligible to be registered
21 voters reside within the district, the following procedures shall
22 be followed:

23 (a) Within one hundred twenty days after the order
24 establishing the district, the qualified voters of the district
25 shall elect the district board of directors at an election held

1 by mail. The court clerk shall at least fifteen days prior to
2 the election, mail to the last-known post office address of each
3 qualified voter, a ballot and give instructions on how to vote and
4 return the ballot. The district board of directors shall have not
5 less than five nor more than fifteen directors;

6 (b) Candidates for directors shall be placed on the
7 ballot in accordance with the Election Act;

8 (c) The directors of a district shall be elected at
9 large. The candidate receiving the most votes from qualified voters
10 shall be elected to the position having the longest term, the
11 second highest total votes elected to the position having the
12 next longest term, and so forth. Each initial director shall
13 serve the one-year, two-year, or three-year term to which he
14 or she was elected, and until a successor is duly elected
15 and qualified. Each successor director shall serve a three-year
16 term. The remaining directors shall nominate and elect an interim
17 director to complete any unexpired term of a director caused by
18 resignation or disqualification; and

19 (d) If a sufficient number of registered voters reside
20 within the district, then each director shall be a resident of
21 the district. Directors shall be registered voters and at least
22 twenty-one years of age.

23 (2) If no persons eligible to be registered voters reside
24 within the district, the following procedures shall apply:

25 (a) Within thirty days after the district has been

1 declared organized, the court clerk shall, upon giving notice by
2 causing publication to be made once a week for two consecutive
3 weeks in a newspaper of general circulation in the county, the
4 last publication of which shall be at least seven days before the
5 day of the meeting required by this section, call a meeting of
6 the owners of real property within the district at a day and hour
7 specified in a public place in the county in which the petition
8 was filed for the purpose of electing a board of not less than
9 five and not more than fifteen directors, to be composed of owners
10 or representatives of owners of real property in the district.
11 If all the owners of property in the district joined in the
12 petition for formation of the district, such meeting may be called
13 by order of the court without publication. For the purposes of
14 determining board membership, the owner or owners of real property
15 within the district and their legally authorized representative
16 or representatives shall be deemed to be residents of the
17 district. For business organizations and other entities owning
18 real property within the district, the individual or individuals
19 legally authorized to represent the business organizations or
20 entities in regard to the district shall be deemed to be a resident
21 of the district;

22 (b) The property owners, when assembled, shall organize
23 by the election of a chairperson and secretary of the meeting who
24 shall conduct the election. At the election, each acre of real
25 property within the district or portion thereof shall represent one

1 share or respective portion thereof, and each owner may have one
2 vote or respective portion thereof in person or by proxy for every
3 acre or respective portion thereof of real property owned by such
4 person within the district;

5 (c) The one-third of the initial board members receiving
6 the most votes shall be elected to positions having a term of three
7 years. The one-third of initial board members receiving the next
8 highest number of votes shall be elected to positions having a
9 term of two years. The lowest one-third of initial board members
10 receiving sufficient votes shall be elected to positions having a
11 term of one year. Each initial director shall serve the term to
12 which he or she was elected, and until a successor is duly elected
13 and qualified. Successor directors shall be elected in the same
14 manner as the initial directors at a meeting of the real property
15 owners called by the board. Each successor director shall serve a
16 three-year term. The directors shall nominate and elect an interim
17 director to complete any unexpired term of a director caused by
18 resignation or disqualification; and

19 (d) Directors shall be at least twenty-one years of age.

20 (3) Notwithstanding any provision of this section to the
21 contrary, if the petition for formation of the district was filed
22 pursuant to subsection (5) of section 23 of this act, the following
23 procedures shall be followed:

24 (a) If the district is comprised of four or more local
25 transportation authorities, the board of directors shall consist of

1 the presiding officer of each local transportation authority within
2 the district. If the district is comprised of two or three local
3 transportation authorities, the board of directors shall consist of
4 the presiding officer of each local transportation authority within
5 the district and one person designated by the governing body of
6 each local transportation authority within the district;

7 (b) Each director shall be at least twenty-one years of
8 age and a resident or property owner in the local transportation
9 authority that the director represents. A director designated by
10 the governing body of a local transportation authority may be
11 removed by such governing body at any time with or without cause;
12 and

13 (c) Upon the assumption of office of a new presiding
14 officer of a local transportation authority, such individual shall
15 automatically, and immediately succeed his predecessor as a member
16 of the board of directors. Upon the removal, resignation, or
17 disqualification of a director designated by the governing body
18 of a local transportation authority, such governing body shall
19 designate a successor director to fill the remainder of the term.

20 (4) The department may appoint one or more advisors to
21 the board, who shall have no vote but shall have the authority to
22 participate in all board meetings and discussions, whether open or
23 closed, and shall have access to all open and closed records of the
24 district and its board of directors.

25 (5) If the proposed project is not intended to be

1 merged into the state highways and transportation system under the
2 department's jurisdiction, the local transportation authority that
3 will assume maintenance of the project may appoint one or more
4 advisors to the board of directors who shall have the same rights
5 as advisors appointed by the department.

6 (6) Any county or counties located wholly or partially
7 within the district which has jurisdiction over any district
8 project or any transportation improvement within the boundaries of
9 the district may appoint one or more advisors to the board who
10 shall have the same rights as advisors appointed by the department.

11 Sec. 31. (1) The board shall possess and exercise all of
12 the district's legislative and executive powers.

13 (2) Within thirty days after the election of the initial
14 directors or the selection of the initial directors pursuant to
15 section 30 of this act, the board shall meet. The time and place of
16 the first meeting of the board shall be designated by the court. At
17 its first meeting and after each election or selection of new board
18 members, the board shall elect a chairperson from its members.

19 (3) The board shall appoint an executive director,
20 district secretary, treasurer, and such other officers or employees
21 as it deems necessary.

22 (4) At the first meeting, the board, by resolution, shall
23 define the first and subsequent fiscal years of the district.

24 (5) A simple majority of the board shall constitute a
25 quorum. If a quorum exists, a majority of those voting shall have

1 the authority to act in the name of the board and approve any board
2 resolution.

3 (6) Each director shall devote such time to the duties of
4 the office as the faithful discharge thereof may require and may be
5 reimbursed for his or her actual expenditures in the performance of
6 his or her duties on behalf of the district.

7 Sec. 32. (1) Before construction or funding of any
8 project, the district shall submit the proposed project to the
9 department for its prior approval. If the department finds that the
10 project will improve or is a necessary or desirable extension of
11 the state highways and transportation system, the department may
12 preliminarily approve the project subject to the district providing
13 plans and specifications for the proposed project and making
14 any revisions in the plans and specifications required by the
15 department and the district and department entering into a mutually
16 satisfactory agreement regarding development and future maintenance
17 of the project. After such preliminary approval, the district may
18 impose and collect such taxes and assessments as may be included
19 in the department's preliminary approval. After the department
20 approves the final construction plans and specifications, the
21 district shall obtain prior commission approval of any modification
22 of such plans or specifications.

23 (2) If the proposed project is not intended to be
24 merged into the state highways and transportation system under
25 the department's jurisdiction, the district shall also submit the

1 proposed project and proposed plans and specifications to the local
2 transportation authority that will become the owner of the project
3 for its prior approval.

4 (3) In those instances where a local transportation
5 authority is required to approve a project and the department
6 determines that it has no direct interest in that project, the
7 department may decline to consider the project. Approval of the
8 project shall then vest exclusively with the local transportation
9 authority subject to the district making any revisions in the
10 plans and specifications required by the local transportation
11 authority and the district and the local transportation authority
12 entering into a mutually satisfactory agreement regarding
13 development and future maintenance of the project. After the local
14 transportation authority approves the final construction plans
15 and specifications, the district shall obtain prior approval of
16 the local transportation authority before modifying such plans or
17 specifications.

18 Sec. 33. (1) A district may use any one or more of
19 the taxes or other funding methods specifically authorized by the
20 Transportation Development District Act to fund a project.

21 (2) At any time during the existence of the district, the
22 board may submit or resubmit a proposed funding method authorized
23 by the act for a project to the qualified voters for approval.

24 (3) The department may by contract with a district
25 receive any revenue received by the district from any funding

1 method authorized by the act. Such revenue shall be remitted to the
2 State Treasurer for credit to the Transportation Development Fund,
3 which is hereby created, and applied by the department to project
4 costs including debt service on revenue bonds or refunding bonds
5 issued by the district or the department under the act. Any money
6 in the fund available for investment shall be invested by the state
7 investment officer pursuant to the Nebraska Capital Expansion Act
8 and the Nebraska State Funds Investment Act.

9 (4) If the proposed project is not intended to be
10 merged into the state highways and transportation system under the
11 department's jurisdiction, the local transportation authority that
12 will assume maintenance of the project may by contract with a
13 district receive any revenue received by the district and deposit
14 such revenue in a special trust account. Such revenue and interest
15 therefrom shall be applied by the local transportation authority
16 to project costs or debt service on revenue bonds issued by the
17 district or the local transportation authority pursuant to the
18 Transportation Development District Act.

19 Sec. 34. (1) If approved by a majority of the qualified
20 voters voting on the question in the district or the owners of
21 record of all of the real property located within the district
22 who shall indicate their approval by signing a special assessment
23 petition, the district may make one or more special assessments for
24 those project improvements which specially benefit the properties
25 within the district. Improvements which may confer special benefits

1 within a district include, but are not limited to, improvements
 2 which are intended primarily to serve traffic originating or ending
 3 within the district, to reduce local traffic congestion or circuitry
 4 of travel, or to improve the safety of motorists or pedestrians
 5 within the district.

6 (2) The ballot question shall be substantially in the
 7 following form:

8 Shall the Transportation Development
 9 District be authorized to levy special assessments against property
 10 benefited within the district for the purpose of providing revenue
 11 for the development of a project (or projects) in the district
 12 (insert general description of the project or projects, if
 13 necessary), such special assessments to be levied ratably against
 14 each tract, lot, or parcel of property within the district which
 15 is benefited by such project in proportion to the (insert method
 16 of allocating special assessments), in an amount not to exceed
 17 dollars per annum per (insert unit of measurement)?

18 (3) The special assessment petition shall be
 19 substantially in the following form:

20 The Transportation Development District
 21 shall be authorized to levy special assessments against property
 22 benefited within the district for the purpose of providing revenue
 23 for the development of a project (or projects) in the district
 24 (insert general description of the project or projects, if
 25 necessary), such special assessments to be levied pro rata against

1 each tract, lot, or parcel of property within the district which
 2 is benefited by such project in proportion to the (insert method
 3 of allocating special assessments), in an amount not to exceed
 4 dollars per annum per (insert unit of measurement).

5 (4) If a proposal for making a special assessment fails,
 6 the board may, with the prior approval of the department or the
 7 local transportation authority which will assume ownership of the
 8 completed project, delete from the project any portion which was to
 9 be funded by special assessment and which is not otherwise required
 10 for project integrity.

11 (5) A district may establish different classes or
 12 subclasses of real property within the district for purposes of
 13 levying differing rates of special assessments. The levy rate for
 14 special assessments may vary for each class or subclass of real
 15 property based on the level of benefit derived by each class or
 16 subclass from projects funded by the district.

17 Sec. 35. (1) If approved by at least four-sevenths of
 18 the qualified voters voting on the question in the district, the
 19 district may impose a property tax subject to the limitations of
 20 sections 77-3442 to 77-3444. The board may levy a property tax
 21 rate lower than its maximum tax rate and may increase that lowered
 22 tax rate to a level not exceeding the maximum tax rate without
 23 voter approval. The property tax shall be uniform throughout the
 24 district.

25 (2) The ballot question shall be substantially in the

1 following form:

2 Shall the Transportation Development
 3 District impose a property tax upon all real and taxable tangible
 4 personal property within the district at a rate of not more than
 5 (insert amount) cents per hundred dollars assessed
 6 valuation for the purpose of providing revenue for the development
 7 of a project (or projects) in the district (insert general
 8 description of the project or projects, if necessary)?

9 (3) The property taxes and special benefit assessments
 10 made upon all real property and taxable tangible personal property
 11 within that county and the district shall be collected and enforced
 12 in the same manner as other property taxes are collected and
 13 enforced. Upon receipt of such money, the district treasurer shall
 14 execute a receipt therefor and shall deposit such sums into the
 15 district treasury, credited to the appropriate project or purpose.

16 Sec. 36. If the special assessment made by the district
 17 is based on something other than the assessed value of real
 18 property, the district shall provide the information on which such
 19 special assessment is based for all applicable real property.

20 Sec. 37. (1) Any district may by resolution impose a
 21 transportation development district sales tax on all retail sales
 22 made in such district which are subject to sales and use tax. Such
 23 transportation development district sales tax may be imposed for
 24 any transportation development purpose designated by the district
 25 in its ballot question, except that no resolution enacted pursuant

1 to the authority granted by this section shall be effective unless:

2 (a) The board submits to the qualified voters of the
3 district a proposal to authorize the board to impose or increase
4 the levy of an existing tax pursuant to this section; or

5 (b) The qualified voters approved the question certified
6 by the petition filed pursuant to subsection (5) of section 23 of
7 this act.

8 (2) If the district submits to the qualified voters of
9 the district by mail ballot election a proposal to authorize the
10 board to impose or increase the levy of an existing tax pursuant
11 to subdivision (1)(a) of this section, the ballot question shall
12 contain, but need not be limited to, the following language:

13 Shall the transportation development district of
14 (transportation development district's name) impose
15 a transportation development districtwide sales tax at the rate
16 of (insert amount) for a period of
17 (insert number) years from the date on which such tax is first
18 imposed or the date on which such tax is increased for the purpose
19 of (insert transportation development purpose)?

20 If a majority of the votes cast on the proposal by the
21 qualified voters voting thereon are in favor of the proposal,
22 then the resolution and any amendments thereto shall be in effect.

23 If a majority of the votes cast by the qualified voters voting
24 are opposed to the proposal, then the board shall have no power
25 to impose the sales tax authorized by this section unless and

1 until the board again submits another proposal to authorize it to
2 impose the sales tax pursuant to this section and such proposal is
3 approved by a majority of the qualified voters voting thereon.

4 (3) The sales tax authorized by this section shall become
5 effective on the first day of the calendar quarter following
6 adoption of the tax by the qualified voters.

7 (4) In each district in which a sales tax has been
8 imposed in the manner provided by this section, every retailer
9 shall add the tax imposed by the district pursuant to this section
10 to the retailer's sale price, and when so added such tax shall
11 constitute a part of the price, shall be a debt of the purchaser
12 to the retailer until paid, and shall be recoverable at law in the
13 same manner as the purchase price.

14 (5) All revenue received by a district from the tax
15 authorized by this section which has been designated for a certain
16 transportation development purpose shall be deposited in a special
17 trust fund and shall be used solely for such designated purpose.
18 Upon the expiration of the period of years approved by the
19 qualified voters pursuant to subsection (2) of this section or
20 if the tax authorized by this section is repealed pursuant to
21 this section, all funds remaining in the special trust fund shall
22 continue to be used solely for such designated transportation
23 development purpose. Any funds in such special trust fund which are
24 not needed for current expenditures may be invested by the board in
25 accordance with applicable laws relating to the investment of other

1 transportation development district funds.

2 (6) The sales tax may be imposed in increments of
3 one-eighth of one percent, up to a maximum of one percent. Any
4 transportation development district sales tax imposed pursuant to
5 this section shall be imposed at a rate that shall be uniform
6 throughout the district. The sales tax may be imposed at a rate
7 lower than the maximum rate approved by the qualified voters.
8 Subject to this limitation, the sales tax may be adjusted from time
9 to time as deemed necessary by the district board. The sales tax
10 rate may be reduced to zero for any time period deemed necessary by
11 the district board if the district board expresses an intention by
12 resolution to later impose the tax at a rate which does not exceed
13 the maximum rate approved by the qualified voters.

14 (7) No district imposing a sales tax pursuant to this
15 section may repeal or amend such sales tax unless such repeal
16 or amendment will not impair the district's ability to repay
17 any liabilities which it has incurred, money which it has
18 borrowed, or revenue bonds, notes, or other obligations which
19 it has issued or which have been issued by the department or any
20 local transportation authority to finance any project or projects.
21 Reduction of the sales tax rate to zero as allowed by subsection
22 (6) of this section is not a repeal of the sales tax if the
23 district board makes the finding required by such subsection.

24 (8) Whenever the board of any district in which a
25 transportation development district sales tax has been imposed in

1 the manner provided by this section receives a petition, signed
2 by ten percent of the qualified voters calling for an election
3 to repeal such transportation development district sales tax, the
4 board shall, if such repeal will not impair the district's ability
5 to repay any liabilities which it has incurred, money which it has
6 borrowed, or revenue bonds, notes, or other obligations which it
7 has issued or which have been issued by the department or any local
8 transportation authority to finance any project or projects, submit
9 to the qualified voters of such district a proposal to repeal
10 the transportation development district sales tax. If a majority
11 of the votes cast on the proposal by the qualified voters voting
12 thereon are in favor of the proposal to repeal the transportation
13 development district sales tax, then the resolution imposing the
14 transportation development district sales tax, along with any
15 amendments thereto, is repealed. If a majority of the votes cast
16 by the qualified voters voting thereon are opposed to the proposal
17 to repeal the transportation development district sales tax, then
18 the ordinance or resolution imposing the transportation development
19 district sales tax, along with any amendments thereto, shall remain
20 in effect.

21 Sec. 38. (1) This section shall not apply to any sales
22 tax levied pursuant to section 37 of this act, and no tax shall be
23 imposed pursuant to this section if a sales tax has been imposed by
24 a district pursuant to such section.

25 (2) In lieu of the taxes allowed pursuant to section 37

1 of this act, any district which consists of all of one or more
 2 entire counties, all of one or more entire cities, or all of one
 3 or more entire counties and one or more entire cities which are
 4 totally outside the boundaries of those counties may by resolution
 5 impose a transportation development district sales tax on all
 6 retail sales made in such district which are subject to sales and
 7 use tax for any transportation development purpose designated by
 8 the district in its ballot question. No resolution enacted pursuant
 9 to the authority granted by this section shall be effective unless:

10 (a) The board submits to the qualified voters of the
 11 district, at an election held by mail, a proposal to authorize the
 12 board to impose or increase the levy of an existing tax pursuant to
 13 this section; or

14 (b) The qualified voters approved the question certified
 15 by the petition filed pursuant to subsection (5) of section 23 of
 16 this act.

17 (3) If the district submits to the qualified voters
 18 of the district a proposal to authorize the board to impose or
 19 increase the levy of an existing tax pursuant to subdivision (2)(a)
 20 of this section, the ballot question shall contain, but need not be
 21 limited to, the following language:

22 Shall the transportation development district of
 23 (transportation development district's name) impose
 24 a transportation development districtwide sales tax at the rate
 25 of (insert amount) for a period of

1 (insert number) years from the date on which such tax is first
 2 imposed for the purpose of (insert
 3 transportation development purpose)?

4 If a majority of the votes cast on the proposal by the
 5 qualified voters voting thereon are in favor of the proposal, then
 6 the resolution and any amendments thereto shall be in effect. If
 7 a majority of the votes cast by the qualified voters voting are
 8 opposed to the proposal, then the board shall have no power to
 9 impose the sales tax authorized by this section unless and until
 10 the board shall again have submitted another proposal to authorize
 11 it to impose the sales tax pursuant to this section and such
 12 proposal is approved by a majority of the qualified voters voting
 13 thereon.

14 (4) The sales tax authorized by this section shall become
 15 effective on the first day of the calendar quarter following the
 16 adoption of the tax by the qualified voters.

17 (5) All revenue received by a district from the tax
 18 authorized by this section which has been designated for a certain
 19 transportation development purpose shall be deposited in a special
 20 trust fund and shall be used solely for such designated purpose.
 21 Upon the expiration of the period of years approved by the
 22 qualified voters pursuant to subsection (3) of this section or
 23 if the tax authorized by this section is repealed pursuant to
 24 this section, all funds remaining in the special trust fund shall
 25 continue to be used solely for such designated transportation

1 development purpose. Any funds in such special trust fund which are
2 not needed for current expenditures may be invested by the board in
3 accordance with applicable laws relating to the investment of other
4 transportation development district funds.

5 (6) The sales tax may be imposed in one-eighth increments
6 at a rate of up to one percent. Any transportation development
7 district sales tax imposed pursuant to this section shall be
8 imposed at a rate that is uniform throughout the district. The
9 sales tax may be imposed at a rate lower than the maximum rate
10 approved by the qualified voters. Subject to this limitation, the
11 sales tax may be adjusted from time to time as deemed necessary
12 by the district board. The sales tax rate may be reduced to zero
13 for any time period deemed necessary by the district board if the
14 district board expresses an intention by resolution to later impose
15 the tax at a rate which does not exceed the maximum rate approved
16 by the qualified voters.

17 (7) On and after the effective date of any tax imposed
18 pursuant to this section, the Tax Commissioner shall perform all
19 functions incident to the administration, collection, enforcement,
20 and operation of the tax and shall collect, in addition to all
21 other sales taxes imposed by law, the additional tax authorized
22 pursuant to this section. The tax imposed pursuant to this section
23 and the taxes imposed pursuant to all other laws of the state shall
24 be collected together and reported upon such forms and pursuant to
25 such administrative rules and regulations as may be prescribed by

1 the commissioner.

2 (8) All sales taxes collected by the Tax Commissioner
3 pursuant to this section on behalf of any district, less one
4 percent for the cost of collection which shall be deposited in the
5 General Fund, shall be remitted to the State Treasurer for credit
6 to the Transportation Development District Sales Tax Fund, which is
7 hereby created. Money in the fund shall not be deemed to be state
8 funds and shall not be commingled with any funds of the state. All
9 interest earned upon the balance in the Transportation Development
10 District Sales Tax Fund shall be deposited to the credit of the
11 same fund. Any balance in the fund at the end of an appropriation
12 period shall not be transferred to the General Fund, and no money
13 shall be transferred from the fund. The Tax Commissioner shall
14 keep accurate records of the amount of money which was collected
15 in each district imposing a sales tax pursuant to this section,
16 and the records shall be open to the inspection of officers of
17 each district and the general public. Not later than the tenth
18 day of each month, the State Treasurer shall distribute all money
19 deposited in such fund during the preceding month to the proper
20 district.

21 (9) The Tax Commissioner may authorize the State
22 Treasurer to make refunds from the amounts credited to any
23 district for erroneous payments and overpayments made and may
24 redeem dishonored checks and drafts deposited to the credit of
25 such district. If any district repeals the tax authorized by this

1 section, the district shall notify the commissioner of the action
2 at least ninety days prior to the effective date of the repeal
3 and the commissioner may order retention, for a period of one
4 year, of two percent of the amount collected after receipt of such
5 notice to cover possible refunds or overpayment of such tax and to
6 redeem dishonored checks and drafts deposited to the credit of such
7 accounts. After one year has elapsed after the effective date of
8 repeal of the tax authorized by this section in such district, the
9 commissioner shall remit the balance in the account to the district
10 and close the account of that district. The commissioner shall
11 notify each district of each instance of any amount refunded or any
12 check redeemed from receipts due the district.

13 (10) No district imposing a sales tax pursuant to
14 this section may repeal or amend such sales tax unless such
15 repeal or amendment will not impair the district's ability to
16 repay any liabilities which it has incurred, money which it has
17 borrowed, or revenue bonds, notes, or other obligations which it
18 has issued or which have been issued by the department or any
19 local transportation authority to finance any project or projects.
20 Reduction of the sales tax rate to zero as allowed by subsection
21 (6) of this section is not a repeal of the sales tax if the
22 district board makes the finding required by such subsection.

23 (11) Whenever the board of any district in which a
24 transportation development district sales tax has been imposed in
25 the manner provided by this section receives a petition, signed by

1 ten percent of the qualified voters of such district calling for an
2 election to repeal such transportation development district sales
3 tax, the board shall, if such repeal will not impair the district's
4 ability to repay any liabilities which it has incurred, money which
5 it has borrowed, or revenue bonds, notes, or other obligations
6 which it has issued or which have been issued by the department
7 or any local transportation authority to finance any project
8 or projects, submit to the qualified voters of such district a
9 proposal to repeal the transportation development district sales
10 tax imposed pursuant to this section. If a majority of the votes
11 cast on the proposal by the qualified voters voting thereon are
12 in favor of the proposal to repeal the transportation development
13 district sales tax, then the resolution imposing the transportation
14 development district sales tax, along with any amendments thereto,
15 is repealed. If a majority of the votes cast by the qualified
16 voters voting thereon are opposed to the proposal to repeal the
17 transportation development district sales tax, then the resolution
18 imposing the transportation development district sales tax, along
19 with any amendments thereto, shall remain in effect.

20 Sec. 39. (1) If approved by a majority of the qualified
21 voters voting on the question in the district, the district may
22 charge and collect tolls or fees for the use of a project. The
23 board may charge a lower toll rate or fee than that amount approved
24 by the qualified voters and may increase that lower toll rate or
25 fee to a level not exceeding the toll or fee rate ceiling without

1 voter approval. Toll rates or fees for the use of the same project
2 may vary at the election of the board, depending upon the type or
3 nature of the user or the type or nature of the use.

4 (2) The ballot question shall be substantially in the
5 following form:

6 Shall the Transportation Development
7 District be authorized to charge tolls or fees in amounts not
8 to exceed those given below: Maximum Toll or Fee Toll or Fee
9 Description (Insert amount) (Insert a brief description of the
10 toll or fee, distinguishing it from other tolls or fees to be
11 charged on the same project) (Insert amount) (Describe the next
12 toll or fee charged) for the purpose of providing revenue for the
13 development of a project (or projects) in the district (insert
14 general description of the project or projects, if necessary)?

15 (3) To construct a toll facility, a district may relocate
16 an existing state highway, subject to approval by the department,
17 or an existing local public street or road, subject to approval by
18 the local transportation authority having control and jurisdiction
19 over such street or road. A district shall not incorporate an
20 existing free public street, road, or highway into a district
21 project that will be subject to tolls.

22 Sec. 40. A district may:

23 (1) Contract and incur liabilities appropriate to
24 accomplish its purposes;

25 (2) Lease, as lessor or lessee, or lease-purchase any

1 real or personal property necessary or convenient for its purposes;

2 (3) Borrow money for its purposes at such rates of
3 interest as the district may determine; and

4 (4) Issue bonds, notes, and other obligations and secure
5 any of such obligations by mortgage, pledge, assignment, or deed of
6 trust of any or all of the property and income of the district,
7 subject to the restrictions provided in the Transportation
8 Development District Act. The district shall not mortgage, pledge,
9 or give a deed of trust on any real property or interests which
10 it acquired from the state or any agency or political subdivision
11 thereof without the written consent of the state, agency, or
12 political subdivision from which it obtained the property.

13 Sec. 41. (1) A district may at any time authorize or
14 issue revenue bonds and refunding bonds as provided in section
15 10-615 for the purpose of paying all or any part of the cost of
16 any project. Every issue of such bonds shall be payable out of
17 the revenue of the district and may be further secured by other
18 property of the district which may be pledged, assigned, mortgaged,
19 or a security interest granted for such payment, without preference
20 or priority of the first bonds issued, subject to any agreement
21 with the holders of any other bonds pledging any specified property
22 or revenue. Such bonds shall be authorized by resolution of the
23 district and, if issued by the district, shall bear such date or
24 dates and mature at such time or times, but not in excess of forty
25 years, as the resolution shall specify.

1 (2) If the proposed project is intended to be merged
2 into the state highway system for future maintenance under the
3 department's jurisdiction, the district may contract with the
4 department to assist it in issuing district revenue bonds and
5 refunding bonds. The district may also contract with the department
6 to issue department revenue bonds and refunding bonds and to
7 loan the proceeds thereof to the district. Such bonds shall be
8 authorized by the department and shall be issued subject to
9 conditions applicable to bonds issued by the district but as
10 determined by the department rather than the district.

11 (3) If the proposed project is intended to be merged
12 into a local transportation system for future maintenance under
13 the local transportation authority's jurisdiction, the district may
14 contract with the local transportation authority to assist it in
15 issuing district revenue bonds and refunding bonds. The district
16 may also contract with the local transportation authority to issue
17 the local transportation authority's revenue bonds and refunding
18 bonds and to loan the proceeds thereof to the district. Such
19 bonds shall be authorized by the local transportation authority's
20 ordinance or order and shall be issued subject to conditions
21 applicable to bonds issued by the district but as determined by the
22 local transportation authority rather than the district.

23 (4) Bonds issued under this section shall exclusively be
24 the responsibility of the district payable solely out of district
25 funds and property as provided in the Transportation Development

1 District Act or revenue received by contract from another political
2 subdivision of the state and shall not constitute a debt or
3 liability of the state or any agency or other political subdivision
4 of the state. Neither the district, local transportation authority,
5 nor the department shall be obligated to pay such bonds with any
6 funds other than those specifically pledged to repayment of the
7 bonds. Any bonds issued by a district, a local transportation
8 authority, or the department shall state on their face that they
9 are not obligations of the state or any agency or political
10 subdivision thereof other than the district or the issuer.

11 (5) Bonds issued under this section, the interest
12 thereon, or any proceeds from such bonds shall be exempt from
13 taxation in the State of Nebraska for all purposes except the state
14 estate tax.

15 Sec. 42. The district may, subject to department or local
16 transportation authority approval, as appropriate:

17 (1) Purchase land or receive contributions of land and
18 cash for easements and project right-of-way;

19 (2) Limit and control access from adjacent property to a
20 district project; and

21 (3) Sell and convey excess land or right-of-way for fair
22 market value to any person or entity.

23 Sec. 43. (1) The district may condemn lands for a project
24 in the name of the state, upon prior approval by the department or
25 the local transportation authority and by ordinance of the local

1 governing body as appropriate, as to the necessity for the taking
2 of the description of the parcel and the interest taken in that
3 parcel.

4 (2) If condemnation becomes necessary, the district shall
5 act under sections 76-701 to 76-726 and may condemn a fee simple or
6 other interest in land.

7 (3) The district may, after prior notice to the owner
8 to enter upon private property, survey and determine the most
9 advantageous route and design of a project or location of a
10 project. The district shall be liable for all damage done to the
11 property by such inspection.

12 (4) Any person who involuntarily transfers any interest
13 in land to a district which becomes insolvent and comes under the
14 jurisdiction of a court may reacquire that property by paying to
15 the district the total amount of the condemnation award for that
16 parcel, plus statutory interest at the statutory rate from the date
17 of taking on the amount of that award, if the project will not
18 be completed by either the district, the department, or a local
19 transportation authority.

20 (5) Whenever a district undertakes any project which
21 results in the acquisition of real property or in any person or
22 persons being displaced from their homes, businesses, or farms, the
23 district shall provide relocation assistance under the Relocation
24 Assistance Act.

25 Sec. 44. The district may contract with:

1 (1) A federal agency, a state or its agencies and
2 political subdivisions, the department, a local transportation
3 authority, a corporation, a partnership, or an individual regarding
4 funding, promotion, planning, designing, constructing, improving,
5 repairing, maintaining, or operating a project or to assist in such
6 activity; and

7 (2) The department or a local transportation authority to
8 transfer the project to the department or the local transportation
9 authority free of cost or encumbrance on such terms set forth by
10 contract.

11 Sec. 45. In addition to all other powers granted by the
12 Transportation Development District Act, the district shall have
13 the following general powers:

14 (1) To sue and be sued in its own name and receive
15 service of process which shall be served upon the district
16 secretary;

17 (2) To fix compensation of its employees and contractors.
18 All construction contracts in excess of five thousand dollars
19 between the district and any private person, firm, or corporation
20 shall be competitively bid and shall be awarded to the lowest
21 and best bidder. Other contracts may be competitively bid at the
22 election of the district board;

23 (3) To purchase any real or personal property necessary
24 or convenient for its activities. All purchases of personal
25 property in excess of one thousand dollars between the district and

1 any private person, firm, or corporation shall be competitively bid
2 and shall be awarded to the lowest and best bidder;

3 (4) To collect and disburse funds for its activities; and
4 (5) To exercise such other implied powers necessary or
5 convenient for the district to accomplish its purposes which are
6 not inconsistent with its express powers.

7 Sec. 46. (1) The district may obtain such insurance as
8 it deems appropriate, considering its legal limits of liability, to
9 protect itself, its officers, and its employees from any potential
10 liability and may also obtain such other types of insurance as it
11 deems necessary to protect against loss of its real or personal
12 property of any kind. The cost of this insurance shall be paid by
13 the district.

14 (2) The district may also require contractors performing
15 construction or maintenance work on the project to obtain liability
16 insurance having the district, its directors, and its employees as
17 additional named insureds.

18 (3) The district shall not attempt to self-insure for
19 its potential liabilities unless it finds that it has sufficient
20 funds available to cover any anticipated judgments or settlements
21 and still complete its project without interruption. The district
22 may self-insure if it is unable to obtain liability insurance
23 coverage at a rate which is economically feasible to the district,
24 considering its resources.

25 Sec. 47. (1) At any time during the existence of a

1 district, the board may submit to the qualified voters of the
2 district a proposition to increase or decrease the number of
3 projects which it is authorized to complete.

4 (2) If the board proposes to add one or more additional
5 projects, the question shall be submitted in substantially the
6 following form:

7 Shall the Transportation Development
8 District fund or develop the following additional transportation
9 project (or projects): (summarize the proposed project or
10 projects), and have the power to fund the proposed project upon
11 separate voter approval by any or all of the following methods:
12 (here specifically describe the proposed funding methods and
13 require each voter to approve or disapprove of each proposed
14 funding method)?

15 (3) If the board proposes to discontinue a project, it
16 may do so by majority vote of the board if the board first obtains
17 approval from the department if the proposed project is intended
18 to be merged into the state highways and transportation system
19 under the department's jurisdiction or approval from the local
20 transportation authority if the proposed project is intended to
21 be merged into a local transportation system under the local
22 authority's jurisdiction. If such approval is obtained, then
23 the question shall be submitted to the qualified voters in
24 substantially the following form:

25 Shall the Transportation Development

1 District discontinue development of the following transportation
2 project: (summarize the transportation project), for the reason
3 that (describe the reason why the transportation project cannot be
4 completed as approved)?

5 (4) The board may modify the project previously approved
6 by the qualified voters, if the modification is approved by
7 the department and, where appropriate, a local transportation
8 authority.

9 Sec. 48. The department and local transportation
10 authorities may contract with a district to provide it assistance
11 in project funding, promotion, planning, design, right-of-way
12 acquisition, relocation assistance services, construction,
13 reconstruction, maintenance, and operation. The department or any
14 local transportation authority may charge the district a reasonable
15 fee, not exceeding the actual cost of providing the service.

16 Sec. 49. The department may adopt and promulgate rules
17 and regulations relating to transportation development districts
18 under the Transportation Development District Act.

19 Sec. 50. The State of Nebraska, upon approval by an
20 appropriate act of the Legislature, the department, or a local
21 transportation authority holding title to real estate, may give,
22 grant, and convey to or for the use of a district such right-of-way
23 or other easement in such real estate as may be necessary for the
24 development of a project.

25 Sec. 51. (1) For the purpose of law enforcement, all

1 district projects to be transferred to the department shall be
2 treated as part of the state highway system and all projects to be
3 transferred to a local transportation authority shall be treated as
4 roads or streets of that entity.

5 (2) All laws of this state relating to the maintaining,
6 signing, damaging, operating upon, and obstructing roads shall
7 apply to district projects. The duties and powers imposed by
8 such laws on certain officials shall devolve upon the district's
9 engineer or other employee designated by the board. Nothing in
10 this subsection shall be deemed to interfere with, restrict, or
11 limit the authority of the department to govern and control highway
12 marking, signalization, and signing to the extent the department is
13 authorized by law.

14 (3) For outdoor advertising and junkyard control
15 purposes, a district project may be designated by the department as
16 a part of the state highway system and by a local transportation
17 authority as a part of its road or street system.

18 Sec. 52. Unless otherwise approved by contract of the
19 district, project improvements shall not be under the control and
20 jurisdiction of a local transportation authority while the district
21 has control and jurisdiction over the project. Statutes relating to
22 establishment and vacation of roads are inapplicable to districts.

23 Sec. 53. The Auditor of Public Accounts shall audit each
24 district not less than once every three years and may audit more
25 frequently if the auditor deems appropriate. The costs of this

1 audit shall be paid by the district.

2 Sec. 54. (1) Within six months after development and
3 initial maintenance costs of its completed project have been paid,
4 the district shall, pursuant to contract, transfer ownership and
5 control of the project to the department or a local transportation
6 authority which shall be responsible for all future maintenance
7 costs pursuant to contract. Such transfer may be made sooner with
8 the consent of the recipient.

9 (2) At such time as a district has completed its project
10 if the district has transferred ownership of the project to the
11 department or local transportation authority for maintenance, or
12 the district has provided for the completion and funding of its
13 project and has transferred ownership and control of the project
14 to the department or a local transportation authority pursuant to
15 subsection (1) of this section, or at such time as the board
16 determines that it is unable to complete its project due to lack of
17 funding or for any other reason, the board shall submit for a vote
18 in an election held throughout the district the question of whether
19 the district should be abolished. The question shall be submitted
20 in substantially the following form:

21 Shall the Transportation
22 Development District be abolished?

23 (3) The board shall not propose the question to abolish
24 the district while there are outstanding claims or causes of action
25 pending against the district, while the district liabilities exceed

1 its assets, or while the district is insolvent, in receivership, or
2 under the jurisdiction of the bankruptcy court. Prior to submitting
3 the question to abolish the district to a vote, the Auditor of
4 Public Accounts shall audit the district to determine the financial
5 status of the district and whether the district may be abolished
6 pursuant to law.

7 (4) As an alternative to the method described in
8 subsections (2) and (3) of this section, if at such time
9 as a district has completed its project and has transferred
10 ownership of the project to the department or other local
11 transportation authority for maintenance, the district has provided
12 for the completion and funding of its project and has transferred
13 ownership and control of the project to the department or a
14 local transportation authority pursuant to subsection (1) of this
15 section, or at such time as the board determines that it is unable
16 to complete its project due to lack of funding or for any other
17 reason, the board may petition the district court to dissolve the
18 district.

19 (5) The district board may not petition the district
20 court for dissolution while there are outstanding claims or
21 causes of action pending against the district, while the district
22 liabilities exceed its assets, or while the district is insolvent,
23 in receivership, or under the jurisdiction of the bankruptcy
24 court. Prior to petitioning the district court to abolish the
25 district, the Auditor of Public Accounts shall audit the district

1 to determine the financial status of the district, and whether the
2 district may be abolished pursuant to law.

3 (6) While the district still exists, it shall continue to
4 accrue all revenue to which it is entitled at law.

5 (7) Upon receipt of certification by the appropriate
6 election commissioner or county clerk that the majority of
7 qualified voters voting within the district have voted to abolish
8 the district or upon receipt of a court order that the district may
9 be abolished, and if the Auditor of Public Accounts has determined
10 that the district's financial condition is such that it may be
11 abolished pursuant to law, then the board shall:

12 (a) Sell any remaining district real or personal property
13 it wishes and then transfer the proceeds and any other real or
14 personal property owned by the district, including revenue due and
15 owing the district, to the department or any appropriate local
16 transportation authority assuming maintenance and control of the
17 project, for its further use and disposition;

18 (b) Terminate the employment of any remaining district
19 employees and otherwise conclude its affairs;

20 (c) At a public meeting of the district, declare that,
21 by a majority vote, the district has been abolished effective that
22 date; and

23 (d) Cause copies of that resolution under seal to be
24 filed with the Secretary of State, the Tax Commissioner, the
25 department, and each local transportation authority affected by the

1 district. Upon the completion of the final act specified in this
2 subsection, the legal existence of the district shall cease.

3 Sec. 55. In each district in which a sales tax has been
4 imposed or increased under section 37 of this act, every retailer
5 shall prominently display the rate of the sales tax imposed or
6 increased at the cash register area.

7 Sec. 56. Section 10-615, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 10-615 Any sanitary and improvement district, any road
10 improvement district, ~~and~~ any fire protection district, any
11 community improvement district, and any transportation development
12 district in the State of Nebraska which has issued or which will
13 issue bonds for any purpose, and such bonds or any part of such
14 bonds are unpaid, are a legal liability against such district, and
15 are bearing interest, may issue refunding bonds with which to call
16 and redeem all or any part of such outstanding bonds at or before
17 the maturity or the redemption date of such bonds, may include
18 various series and issues of the outstanding bonds in a single
19 issue of refunding bonds, and may issue refunding bonds to pay any
20 redemption premium and interest to accrue and become payable on
21 the outstanding bonds being refunded or refunding bonds issued.
22 The refunding bonds may be issued and delivered at any time prior
23 to the date of maturity or the redemption date of the bonds to be
24 refunded that the governing body or the administrator determines
25 to be in the best interest of any such district. The proceeds

1 derived from the sale of the refunding bonds issued pursuant to
2 this section may be invested in obligations of or guaranteed by
3 the United States Government pending the time the proceeds are
4 required for the purpose for which such refunding bonds were
5 issued. To further secure the refunding bonds, any such district
6 may enter into a contract with any bank or trust company, within or
7 without the state, with respect to the safekeeping and application
8 of the proceeds of the refunding bonds and the safekeeping and
9 application of the earnings on the investment of such proceeds. Any
10 outstanding bonds, which shall have been called for redemption and
11 which have sufficient funds or obligations of or guaranteed by the
12 United States Government set aside in safekeeping to be applied
13 for the complete payment of such bonds, interest on such bonds,
14 and redemption premium, if any, on the redemption date, shall not
15 be considered as outstanding and unpaid, and such bonds shall be
16 fully secured by and be payable from such funds or obligations so
17 deposited. Each new refunding bond so issued shall state on the
18 bond (1) the object of its issue, (2) this section of the law under
19 which such issue was made, including a statement that the issue
20 is made pursuant to such section, and (3) the date and principal
21 amount of the bond or bonds for which the refunding bonds are being
22 issued.

23 Sec. 57. Section 32-404, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 32-404 (1) When any political subdivision holds an

1 election in conjunction with the statewide primary or general
2 election, the election shall be held as provided in the Election
3 Act. Any other election held by a political subdivision shall
4 be held as provided in the act unless otherwise provided by the
5 charter, code, or bylaws of the political subdivision.

6 (2) No later than December 1 of each odd-numbered year,
7 the election commissioner or county clerk shall give notice to each
8 political subdivision of the filing deadlines for the statewide
9 primary election. No later than January 5 of each even-numbered
10 year, the governing board of each political subdivision which will
11 hold an election in conjunction with a statewide primary election
12 shall certify to the Secretary of State, the election commissioner,
13 or the county clerk the name of the subdivision, the number of
14 officers to be elected, the length of the terms of office, the
15 vacancies to be filled by election and length of remaining term,
16 and the number of votes to be cast by a registered voter for each
17 office.

18 (3) No later than July 1 of each even-numbered year, the
19 governing board of each reclamation district, county weed district,
20 village, county under township organization, public power district
21 receiving annual gross revenue of less than forty million dollars,
22 ~~or~~ educational service unit, community improvement district, or
23 transportation development district which will hold an election in
24 conjunction with a statewide general election shall certify to the
25 Secretary of State, the election commissioner, or the county clerk

1 the name of the subdivision, the number of officers to be elected,
2 the length of the terms of office, the vacancies to be filled by
3 election and length of remaining term, and the number of votes to
4 be cast by a registered voter for each office.

5 (4) The Secretary of State shall prescribe the forms
6 to be used for certification to him or her, and the election
7 commissioner or county clerk shall prescribe the forms to be used
8 for certification to him or her.

9 Sec. 58. Section 77-1917.01, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-1917.01 All cities, villages, ~~and~~ sanitary and
12 improvement districts, community improvement districts, and
13 transportation development districts in Nebraska shall have a
14 lien upon real estate within their boundaries for all special
15 assessments due thereon to the municipal corporation or district,
16 which lien shall be inferior only to general taxes levied by
17 the state and its political subdivisions. When such special
18 assessments have become delinquent, without the real property
19 against which they are assessed being first offered at tax sale
20 by the tax sale certificate method or otherwise, the municipal
21 corporation or district involved may itself as party plaintiff
22 proceed in the district court of the county in which the real
23 estate is situated to foreclose, in its own name, the lien for
24 such delinquent special assessments in the same manner and with
25 like effect as in the foreclosure of a real estate mortgage, except

1 as otherwise specifically provided by sections 77-1903 to 77-1917,
2 which shall govern when applicable. Final confirmation of sale in
3 such foreclosure proceeding and issuance of deed to the plaintiff,
4 or its assignee, cannot be had until two years have expired from
5 the date of the sale held by the sheriff, and, after expiration of
6 such two-year period, personal notice has been served on occupants
7 of the real property. The remedy granted in this section to
8 cities, villages, ~~and~~ sanitary and improvement districts, community
9 improvement districts, and transportation development districts
10 for the collection of delinquent special assessments shall be
11 cumulative and in addition to other existing methods.

12 Sec. 59. Section 77-3442, Revised Statutes Cumulative
13 Supplement, 2008, is amended to read:

14 77-3442 (1) Property tax levies for the support of local
15 governments for fiscal years beginning on or after July 1, 1998,
16 shall be limited to the amounts set forth in this section except as
17 provided in section 77-3444.

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

24 (b) For each fiscal year, learning communities may levy
25 a maximum levy for the general fund budgets of member school

1 districts of ninety-five cents per one hundred dollars of taxable
2 valuation of property subject to the levy. The proceeds from the
3 levy pursuant to this subdivision shall be distributed pursuant to
4 section 79-1073.

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

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

24 (e) Federal aid school districts may exceed the maximum
25 levy prescribed by subdivision (2)(a) or (2)(c) of this section

1 only to the extent necessary to qualify to receive federal aid
2 pursuant to Title VIII of Public Law 103-382, as such title existed
3 on September 1, 2001. For purposes of this subdivision, federal
4 aid school district means any school district which receives ten
5 percent or more of the revenue for its general fund budget from
6 federal government sources pursuant to Title VIII of Public Law
7 103-382, as such title existed on September 1, 2001.

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

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

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

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

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

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

1 activities for FY2003-04, not to exceed one cent on each one
2 hundred dollars of taxable valuation annually on all of the taxable
3 property within the district.

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

19 (5) Any educational service unit authorized to levy a
20 property tax pursuant to section 79-1225 may levy a maximum levy of
21 one and one-half cents per one hundred dollars of taxable valuation
22 of property subject to the levy.

23 (6)(a) Incorporated cities and villages which are not
24 within the boundaries of a municipal county may levy a maximum levy
25 of forty-five cents per one hundred dollars of taxable valuation

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

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

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

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

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

1 purpose of supporting that political subdivision's share of revenue
2 required under an agreement or agreements executed pursuant to the
3 Interlocal Cooperation Act or the Joint Public Agency Act. If an
4 allocation by a county would cause another county to exceed its
5 levy authority under this section, the second county may exceed the
6 levy authority in order to levy the amount allocated.

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

12 (10) Property tax levies for judgments, except judgments
13 or orders from the Commission of Industrial Relations, obtained
14 against a political subdivision which require or obligate a
15 political subdivision to pay such judgment, to the extent such
16 judgment is not paid by liability insurance coverage of a
17 political subdivision, for preexisting lease-purchase contracts
18 approved prior to July 1, 1998, for bonded indebtedness approved
19 according to law and secured by a levy on property except as
20 provided in section 44-4317 for bonded indebtedness issued by
21 educational service units and school districts, and for payments by
22 a public airport to retire interest-free loans from the Department
23 of Aeronautics in lieu of bonded indebtedness at a lower cost to
24 the public airport are not included in the levy limits established
25 by this section.

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

6 (12) Tax levies in excess of the limitations in this
7 section shall be considered unauthorized levies under section
8 77-1606 unless approved under section 77-3444.

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

12 (14) For school districts that file a binding resolution
13 on or before May 9, 2008, with the county assessors, county clerks,
14 and county treasurers for all counties in which the school district
15 has territory pursuant to subsection (7) of section 79-458, if the
16 combined levies, except levies for bonded indebtedness approved by
17 the voters of the school district and levies for the refinancing
18 of such bonded indebtedness, are in excess of the greater of (a)
19 one dollar and twenty cents per one hundred dollars of taxable
20 valuation of property subject to the levy or (b) the maximum
21 levy authorized by a vote pursuant to section 77-3444, all school
22 district levies, except levies for bonded indebtedness approved by
23 the voters of the school district and levies for the refinancing of
24 such bonded indebtedness, shall be considered unauthorized levies
25 under section 77-1606.

1 (15) Community improvement districts may levy a maximum
2 levy of one cent per one hundred dollars of taxable valuation of
3 property subject to the levy.

4 (16) Transportation development districts may levy a
5 maximum levy of one cent per one hundred dollars of taxable
6 valuation of property subject to the levy.

7 Sec. 60. Section 77-3443, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-3443 (1) All political subdivisions, other than (a)
10 school districts, community colleges, natural resources districts,
11 educational service units, cities, villages, counties, municipal
12 counties, ~~and~~ sanitary and improvement districts, community
13 improvement districts, and transportation development districts and
14 (b) political subdivisions subject to municipal allocation under
15 subsection (2) of this section, may levy taxes as authorized by
16 law which are authorized by the county board of the county or the
17 council of a municipal county in which the greatest portion of the
18 valuation is located, which are counted in the county or municipal
19 county levy limit provided in section 77-3442, and which do not
20 collectively total more than fifteen cents per one hundred dollars
21 of taxable valuation on any parcel or item of taxable property for
22 all governments for which allocations are made by the municipality,
23 county, or municipal county, except that such limitation shall
24 not apply to property tax levies for preexisting lease-purchase
25 contracts approved prior to July 1, 1998, for bonded indebtedness

1 approved according to law and secured by a levy on property, and
2 for payments by a public airport to retire interest-free loans from
3 the Department of Aeronautics in lieu of bonded indebtedness at
4 a lower cost to the public airport. The county board or council
5 shall review and approve or disapprove the levy request of all
6 political subdivisions subject to this subsection. The county board
7 or council may approve all or a portion of the levy request
8 and may approve a levy request that would allow the requesting
9 political subdivision to levy a tax at a levy greater than that
10 permitted by law. The county board of a county or the council
11 of a municipal county which contains a transit authority created
12 pursuant to section 14-1803 shall allocate no less than three
13 cents per one hundred dollars of taxable property within the city
14 or municipal county subject to the levy to the transit authority
15 if requested by such authority. For any political subdivision
16 subject to this subsection that receives taxes from more than one
17 county or municipal county, the levy shall be allocated only by
18 the county or municipal county in which the greatest portion of
19 the valuation is located. The county board of equalization shall
20 certify all levies by October 15 to insure that the taxes levied by
21 political subdivisions subject to this subsection do not exceed the
22 allowable limit for any parcel or item of taxable property. The
23 levy allocated by the county or municipal county may be exceeded
24 as provided in section 77-3444.

25 (2) All city airport authorities established under

1 the Cities Airport Authorities Act, community redevelopment
2 authorities established under the Community Development Law,
3 transit authorities established under the Transit Authority Law,
4 and offstreet parking districts established under the Offstreet
5 Parking District Act may be allocated property taxes as authorized
6 by law which are authorized by the city, village, or municipal
7 county and are counted in the city or village levy limit or
8 municipal county levy limit provided by section 77-3442, except
9 that such limitation shall not apply to property tax levies for
10 preexisting lease-purchase contracts approved prior to July 1,
11 1998, for bonded indebtedness approved according to law and secured
12 by a levy on property, and for payments by a public airport to
13 retire interest-free loans from the Department of Aeronautics in
14 lieu of bonded indebtedness at a lower cost to the public airport.
15 For offstreet parking districts established under the Offstreet
16 Parking District Act, the tax shall be counted in the allocation by
17 the city proportionately, by dividing the total taxable valuation
18 of the taxable property within the district by the total taxable
19 valuation of the taxable property within the city multiplied by
20 the levy of the district. The city council of a city which has
21 created a transit authority pursuant to section 14-1803 or the
22 council of a municipal county which contains a transit authority
23 shall allocate no less than three cents per one hundred dollars
24 of taxable property subject to the levy to the transit authority
25 if requested by such authority. The city council, village board,

1 or council shall review and approve or disapprove the levy request
2 of the political subdivisions subject to this subsection. The city
3 council, village board, or council may approve all or a portion of
4 the levy request and may approve a levy request that would allow
5 a levy greater than that permitted by law. The levy allocated by
6 the municipality or municipal county may be exceeded as provided
7 in section 77-3444.

8 (3) On or before August 1, all political subdivisions
9 subject to county, municipal, or municipal county levy authority
10 under this section shall submit a preliminary request for levy
11 allocation to the county board, city council, village board, or
12 council that is responsible for levying such taxes. The preliminary
13 request of the political subdivision shall be in the form of a
14 resolution adopted by a majority vote of members present of the
15 political subdivision's governing body. The failure of a political
16 subdivision to make a preliminary request shall preclude such
17 political subdivision from using procedures set forth in section
18 77-3444 to exceed the final levy allocation as determined in
19 subsection (4) of this section.

20 (4) Each county board, city council, village board, or
21 council shall (a) adopt a resolution by a majority vote of members
22 present which determines a final allocation of levy authority
23 to its political subdivisions and (b) forward a copy of such
24 resolution to the chairperson of the governing body of each of its
25 political subdivisions. No final levy allocation shall be changed

1 after September 1 except by agreement between both the county
2 board, city council, village board, or council which determined the
3 amount of the final levy allocation and the governing body of the
4 political subdivision whose final levy allocation is at issue.

5 Sec. 61. Original sections 10-615, 32-404, 77-1917.01,
6 and 77-3443, Reissue Revised Statutes of Nebraska, and section
7 77-3442, Revised Statutes Cumulative Supplement, 2008, are
8 repealed.