

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 664

Introduced by Nelson, 6.

Read first time January 19, 2011

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to labor; to amend sections 23-2518.01, 25-2618,
2 49-506, 49-617, 79-1028, 79-2116, 81-8,303, 81-1108,
3 81-1307.01, 81-1307.02, 81-1316, 81-1317, 81-1346,
4 81-1348, 84-901, 84-1603, and 85-1411, Reissue Revised
5 Statutes of Nebraska, and sections 11-201, 13-520,
6 77-3442, 79-1028.01, Revised Statutes Cumulative
7 Supplement, 2010; to repeal the Industrial Relations Act
8 and the State Employees Collective Bargaining Act; to
9 prohibit public employers and employees from collective
10 bargaining and from strikes, slowdown, or other work
11 stoppage; to provide a penalty; to eliminate obsolete
12 provisions; to harmonize provisions; to repeal the
13 original sections; and to outright repeal sections
14 48-801, 48-801.01, 48-802, 48-803, 48-804, 48-804.01,
15 48-804.02, 48-804.03, 48-805, 48-806, 48-807, 48-808,
16 48-809, 48-810, 48-810.01, 48-811, 48-811.01, 48-811.02,
17 48-812, 48-813, 48-814, 48-815, 48-816, 48-816.01,

1 48-816.02, 48-817, 48-818, 48-819, 48-819.01, 48-821,
2 48-822, 48-823, 48-824, 48-825, 48-837, 48-838, 48-842,
3 79-852, 81-1317.01, 81-1369, 81-1370, 81-1371, 81-1372,
4 81-1373, 81-1374, 81-1375, 81-1376, 81-1377, 81-1378,
5 81-1379, 81-1380, 81-1381, 81-1382, 81-1383, 81-1384,
6 81-1385, 81-1386, 81-1387, 81-1388, 81-1389, 81-1390, and
7 85-1,119, Reissue Revised Statutes of Nebraska.

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

1 Section 1. (1) The continuous, uninterrupted, and proper
2 functioning and operation of governmental service to the people of
3 Nebraska is essential to their welfare, health, and safety. It is
4 hereby declared that collective bargaining for purposes of labor
5 agreements between governmental bodies in the state and employees is
6 against the public policy of the State of Nebraska.

7 (2) Notwithstanding any other provision of law, no agency
8 or division of the State of Nebraska, or any subdivision of the
9 state, including public school districts and public institutions of
10 higher learning or any other government institution authorized by the
11 Nebraska Constitution, state statute, or local ordinance is vested
12 with or possesses any authority to recognize any labor union or other
13 employee association as a bargaining agent of any public officers or
14 employees or to enter into any collective bargaining contract with
15 any such union or association or its agents with respect to any
16 matter relating to them or their employment or service.

17 (3) It shall be unlawful for any employee of the state or
18 governmental subdivision to hinder, delay, limit, or suspend the
19 continuity or efficiency of any governmental service by strike,
20 slowdown, or other work stoppage; to coerce, instigate, induce,
21 conspire with, intimidate, or encourage any person to participate in
22 any strike, slowdown, or other work stoppage; or to aid or assist any
23 such strike, slowdown, or other work stoppage by giving direction or
24 guidance in the conduct of any such strike, slowdown, or other work
25 stoppage, by providing funds for the conduct or direction thereof, or

1 by providing funds for the payment of strike, unemployment, or other
2 benefits to those participating therein. Any person who willfully
3 violates any of the provisions of this subsection shall be guilty of
4 a Class I misdemeanor.

5 Sec. 2. Section 11-201, Revised Statutes Cumulative
6 Supplement, 2010, is amended to read:

7 11-201 It shall be the duty of the Risk Manager:

8 (1) To prescribe the amount, terms, and conditions of any
9 bond or equivalent commercial insurance when the amount or terms are
10 not fixed by any specific statute. The Risk Manager, in prescribing
11 the amount, deductibles, conditions, and terms, shall consider the
12 type of risks, the relationship of the premium to risks involved, the
13 past and projected trends for premiums, the ability of the Tort
14 Claims Fund, the State Self-Insured Property Fund, and state agencies
15 to pay the deductibles, and any other factors the manager may, in his
16 or her discretion, deem necessary in order to accomplish the
17 provisions of sections 2-1201, 3-103, 8-104, 8-105, 9-807, 11-119,
18 11-121, 11-201, 11-202, 37-110, 48-158, 48-609, 48-618, 48-721,
19 ~~48-804.03~~, 53-109, 54-191, 55-123, 55-126, 55-127, 55-150, 57-917,
20 60-1303, 60-1502, 71-222.01, 72-1241, 77-366, 80-401.02, 81-111,
21 81-151, 81-8,128, 81-8,141, 81-1108.14, 81-2002, 83-128, 84-106,
22 84-206, and 84-801;

23 (2) To pass upon the sufficiency of and approve the
24 surety on the bonds or equivalent commercial insurance of all
25 officers and employees of the state, when approval is not otherwise

1 prescribed by any specific statute;

2 (3) To arrange for the writing of corporate surety bonds
3 or equivalent commercial insurance for all the officers and employees
4 of the state who are required by statute to furnish bonds;

5 (4) To arrange for the writing of the blanket corporate
6 surety bond or equivalent commercial insurance required by this
7 section; and

8 (5) To order the payment of corporate surety bond or
9 equivalent commercial insurance premiums out of the State Insurance
10 Fund created by section 81-8,239.02.

11 All state employees not specifically required to give
12 bond by section 11-119 shall be bonded under a blanket corporate
13 surety bond or insured under equivalent commercial insurance for
14 faithful performance and honesty in an amount determined by the Risk
15 Manager.

16 The Risk Manager may separately bond any officer,
17 employee, or group thereof under a separate corporate surety bond or
18 equivalent commercial insurance policy for performance and honesty
19 pursuant to the standards set forth in subdivision (1) of this
20 section if the corporate surety or commercial insurer will not bond
21 or insure or excludes from coverage any officer, employee, or group
22 thereof under the blanket bond or commercial insurance required by
23 this section, or if the Risk Manager finds that the reasonable
24 availability or cost of the blanket bond or commercial insurance
25 required under this section is adversely affected by any of the

1 following factors: The loss experience, types of risks to be bonded
2 or insured, relationship of premium to risks involved, past and
3 projected trends for premiums, or any other factors.

4 Surety bonds of collection agencies, as required by
5 section 45-608, and detective agencies, as required by section
6 71-3207, shall be approved by the Secretary of State. The Attorney
7 General shall approve all bond forms distributed by the Secretary of
8 State.

9 Sec. 3. Section 13-520, Revised Statutes Cumulative
10 Supplement, 2010, is amended to read:

11 13-520 The limitations in section 13-519 shall not apply
12 to (1) restricted funds budgeted for capital improvements, (2)
13 restricted funds expended from a qualified sinking fund for
14 acquisition or replacement of tangible personal property with a
15 useful life of five years or more, (3) restricted funds pledged to
16 retire bonded indebtedness, used by a public airport to retire
17 interest-free loans from the Department of Aeronautics in lieu of
18 bonded indebtedness at a lower cost to the public airport, or used to
19 pay other financial instruments that are approved and agreed to
20 before July 1, 1999, in the same manner as bonds by a governing body
21 created under section 35-501, (4) restricted funds budgeted in
22 support of a service which is the subject of an agreement or a
23 modification of an existing agreement whether operated by one of the
24 parties to the agreement or by an independent joint entity or joint
25 public agency, (5) restricted funds budgeted to pay for repairs to

1 infrastructure damaged by a natural disaster which is declared a
2 disaster emergency pursuant to the Emergency Management Act, (6)
3 restricted funds budgeted to pay for judgments, ~~except judgments or~~
4 ~~orders from the Commission of Industrial Relations,~~ obtained against
5 a governmental unit which require or obligate a governmental unit to
6 pay such judgment, to the extent such judgment is not paid by
7 liability insurance coverage of a governmental unit, (7) the dollar
8 amount by which restricted funds budgeted by a natural resources
9 district to administer and implement ground water management
10 activities and integrated management activities under the Nebraska
11 Ground Water Management and Protection Act exceed its restricted
12 funds budgeted to administer and implement ground water management
13 activities and integrated management activities for FY2003-04, or (8)
14 restricted funds budgeted to pay for the reassumption of the
15 assessment function pursuant to section 77-1340 or 77-1340.04 in
16 fiscal years 2010-11 through 2013-14.

17 Sec. 4. Section 23-2518.01, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 23-2518.01 (1) The board of county commissioners may, by
20 resolution, request that a state or political subdivision transfer
21 employees to the county (a) if the board of county commissioners
22 finds that direct control over such employees will be of benefit to
23 the county, (b) pursuant to a merger of services, or (c) due to the
24 assumption of functions of the state or a political subdivision by
25 the county. Such resolution shall state an effective date for the

1 transfer of such employees. If the state or political subdivision
2 determines that the transfer of its employees is necessary or
3 desirable and approves the request of the board of county
4 commissioners, the employees who are being transferred shall become
5 county employees on the effective date of the transfer as stated in
6 the resolution of the board of county commissioners requesting such
7 transfer.

8 (2) No state employee subject to a transfer under
9 subsection (1) of this section is required to become a county
10 employee and may instead exercise all of his or her rights under any
11 contract involving state employees, ~~and negotiated pursuant to the~~
12 ~~Industrial Relations Act and the State Employees Collective~~
13 ~~Bargaining Act.~~

14 Sec. 5. Section 25-2618, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 25-2618 ~~(a)~~The term court shall mean any district court
17 of this state. The making of an agreement described in section
18 25-2602.01 providing for arbitration in this state confers
19 jurisdiction on the court to enforce the agreement under the Uniform
20 Arbitration Act and to enter judgment on an award thereunder.

21 ~~(b) Nothing in the Uniform Arbitration Act shall be~~
22 ~~construed to empower the Commission of Industrial Relations to order~~
23 ~~that any party under its jurisdiction submit to, or contract to~~
24 ~~submit to, arbitration.~~

25 Sec. 6. Section 49-506, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 49-506 After the Secretary of State has made the
3 distribution provided by section 49-503, he or she shall deliver
4 additional copies of the session laws and the journal of the
5 Legislature pursuant to this section in print or electronic format as
6 he or she determines, upon recommendation by the Clerk of the
7 Legislature and approval of the Executive Board of the Legislative
8 Council.

9 One copy of the session laws shall be delivered to the
10 Lieutenant Governor, the State Treasurer, the Auditor of Public
11 Accounts, the Reporter of the Supreme Court and Court of Appeals, the
12 State Court Administrator, the State Fire Marshal, the Department of
13 Administrative Services, the Department of Aeronautics, the
14 Department of Agriculture, the Department of Banking and Finance, the
15 State Department of Education, the Department of Environmental
16 Quality, the Department of Insurance, the Department of Labor, the
17 Department of Motor Vehicles, the Department of Revenue, the
18 Department of Roads, the Department of Veterans' Affairs, the
19 Department of Natural Resources, the Military Department, the
20 Nebraska State Patrol, the Nebraska Commission on Law Enforcement and
21 Criminal Justice, each of the Nebraska state colleges, the Game and
22 Parks Commission, the Nebraska Library Commission, the Nebraska
23 Liquor Control Commission, the Nebraska Accountability and Disclosure
24 Commission, the Public Service Commission, the State Real Estate
25 Commission, the Nebraska State Historical Society, the Public

1 Employees Retirement Board, the Risk Manager, the Legislative Fiscal
2 Analyst, the Public Counsel, the materiel division of the Department
3 of Administrative Services, the State Records Administrator, the
4 budget division of the Department of Administrative Services, the Tax
5 Equalization and Review Commission, the inmate library at all state
6 penal and correctional institutions, the Commission on Public
7 Advocacy, and the Library of Congress; two copies to the Governor,
8 the Secretary of State, the Nebraska Workers' Compensation Court, ~~the~~
9 ~~Commission of Industrial Relations,~~ and the Coordinating Commission
10 for Postsecondary Education, one of which shall be for use by the
11 community colleges; three copies to the Department of Health and
12 Human Services; four copies to the Nebraska Publications
13 Clearinghouse; five copies to the Attorney General; nine copies to
14 the Revisor of Statutes; sixteen copies to the Supreme Court and the
15 Legislative Council; and thirty-five copies to the University of
16 Nebraska College of Law.

17 One copy of the journal of the Legislature shall be
18 delivered to the Governor, the Lieutenant Governor, the State
19 Treasurer, the Auditor of Public Accounts, the Reporter of the
20 Supreme Court and Court of Appeals, the State Court Administrator,
21 the Nebraska State Historical Society, the Legislative Fiscal
22 Analyst, the Tax Equalization and Review Commission, the Commission
23 on Public Advocacy, and the Library of Congress; two copies to the
24 Secretary of State, ~~the Commission of Industrial Relations,~~ and the
25 Nebraska Workers' Compensation Court; four copies to the Nebraska

1 Publications Clearinghouse; five copies to the Attorney General and
2 the Revisor of Statutes; eight copies to the Clerk of the
3 Legislature; thirteen copies to the Supreme Court and the Legislative
4 Council; and thirty-five copies to the University of Nebraska College
5 of Law. The remaining copies shall be delivered to the State
6 Librarian who shall use the same, so far as required for exchange
7 purposes, in building up the State Library and in the manner
8 specified in sections 49-507 to 49-509.

9 Sec. 7. Section 49-617, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 49-617 The Revisor of Statutes shall cause the statutes
12 to be printed. The printer shall deliver all completed copies to the
13 Supreme Court. These copies shall be held and disposed of by the
14 court as follows: Sixty copies to the State Library to exchange for
15 statutes of other states; five copies to the State Library to keep
16 for daily use; not to exceed twenty-five copies to the Legislative
17 Council for bill drafting and related services to the Legislature and
18 executive state officers; as many copies to the Attorney General as
19 he or she has attorneys on his or her staff; as many copies to the
20 Commission on Public Advocacy as it has attorneys on its staff; up to
21 sixteen copies to the State Court Administrator; thirteen copies to
22 the Tax Commissioner; eight copies to the Nebraska Publications
23 Clearinghouse; six copies to the Public Service Commission; four
24 copies to the Secretary of State; four copies to the Tax Equalization
25 and Review Commission; four copies to the Clerk of the Legislature

1 for use in his or her office and three copies to be maintained in the
2 legislative chamber, one copy on each side of the chamber and one
3 copy at the desk of the Clerk of the Legislature, under control of
4 the sergeant at arms; three copies to the Department of Health and
5 Human Services; two copies each to the Governor of the state, the
6 Chief Justice and each judge of the Supreme Court, each judge of the
7 Court of Appeals, the Clerk of the Supreme Court, the Reporter of the
8 Supreme Court and Court of Appeals, the Commissioner of Labor, the
9 Auditor of Public Accounts, and the Revisor of Statutes; one copy
10 each to the Secretary of State of the United States, each Indian
11 tribal court located in the State of Nebraska, the library of the
12 Supreme Court of the United States, the Adjutant General, the Air
13 National Guard, the Commissioner of Education, the State Treasurer,
14 the Board of Educational Lands and Funds, the Director of
15 Agriculture, the Director of Administrative Services, the Director of
16 Aeronautics, the Director of Economic Development, the director of
17 the Nebraska Public Employees Retirement Systems, the Director-State
18 Engineer, the Director of Banking and Finance, the Director of
19 Insurance, the Director of Motor Vehicles, the Director of Veterans'
20 Affairs, the Director of Natural Resources, the Director of
21 Correctional Services, the Nebraska Emergency Operating Center, each
22 judge of the Nebraska Workers' Compensation Court, ~~each commissioner~~
23 ~~of the Commission of Industrial Relations,~~ the Nebraska Liquor
24 Control Commission, the State Real Estate Commission, the secretary
25 of the Game and Parks Commission, the Board of Pardons, each state

1 institution under the Department of Health and Human Services, each
2 state institution under the State Department of Education, the State
3 Surveyor, the Nebraska State Patrol, the materiel division of the
4 Department of Administrative Services, the personnel division of the
5 Department of Administrative Services, the Nebraska Motor Vehicle
6 Industry Licensing Board, the Board of Trustees of the Nebraska State
7 Colleges, each of the Nebraska state colleges, each district judge of
8 the State of Nebraska, each judge of the county court, each judge of
9 a separate juvenile court, the Lieutenant Governor, each United
10 States Senator from Nebraska, each United States Representative from
11 Nebraska, each clerk of the district court for the use of the
12 district court, the clerk of the Nebraska Workers' Compensation
13 Court, each clerk of the county court, each county attorney, each
14 county public defender, each county law library, and the inmate
15 library at all state penal and correctional institutions, and each
16 member of the Legislature shall be entitled to two complete sets, and
17 two complete sets of such volumes as are necessary to update
18 previously issued volumes, but each member of the Legislature and
19 each judge of any court referred to in this section shall be
20 entitled, on request, to an additional complete set. Copies of the
21 statutes distributed without charge, as listed in this section, shall
22 be the property of the state or governmental subdivision of the state
23 and not the personal property of the particular person receiving a
24 copy. Distribution of statutes to the library of the College of Law
25 of the University of Nebraska shall be as provided in sections 85-176

1 and 85-177.

2 Sec. 8. Section 77-3442, Revised Statutes Cumulative
3 Supplement, 2010, is amended to read:

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

8 (2)(a) Except as provided in subdivision (2)(e) of this
9 section, school districts and multiple-district school systems,
10 except learning communities and school districts that are members of
11 learning communities, may levy a maximum levy of one dollar and five
12 cents per one hundred dollars of taxable valuation of property
13 subject to the levy.

14 (b) For each fiscal year, learning communities may levy a
15 maximum levy for the general fund budgets of member school districts
16 of ninety-five cents per one hundred dollars of taxable valuation of
17 property subject to the levy. The proceeds from the levy pursuant to
18 this subdivision shall be distributed pursuant to section 79-1073.

19 (c) Except as provided in subdivision (2)(e) of this
20 section, for each fiscal year, school districts that are members of
21 learning communities may levy for purposes of such districts' general
22 fund budget and special building funds a maximum combined levy of the
23 difference of one dollar and five cents on each one hundred dollars
24 of taxable property subject to the levy minus the learning community
25 levies pursuant to subdivisions (2)(b) and (2)(g) of this section for

1 such learning community.

2 (d) Excluded from the limitations in subdivisions (2)(a)
3 and (2)(c) of this section are amounts levied to pay for sums agreed
4 to be paid by a school district to certificated employees in exchange
5 for a voluntary termination of employment and amounts levied to pay
6 for special building funds and sinking funds established for projects
7 commenced prior to April 1, 1996, for construction, expansion, or
8 alteration of school district buildings. For purposes of this
9 subsection, commenced means any action taken by the school board on
10 the record which commits the board to expend district funds in
11 planning, constructing, or carrying out the project.

12 (e) Federal aid school districts may exceed the maximum
13 levy prescribed by subdivision (2)(a) or (2)(c) of this section only
14 to the extent necessary to qualify to receive federal aid pursuant to
15 Title VIII of Public Law 103-382, as such title existed on September
16 1, 2001. For purposes of this subdivision, federal aid school
17 district means any school district which receives ten percent or more
18 of the revenue for its general fund budget from federal government
19 sources pursuant to Title VIII of Public Law 103-382, as such title
20 existed on September 1, 2001.

21 (f) For school fiscal year 2002-03 through school fiscal
22 year 2007-08, school districts and multiple-district school systems
23 may, upon a three-fourths majority vote of the school board of the
24 school district, the board of the unified system, or the school board
25 of the high school district of the multiple-district school system

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

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

19 (h) For each fiscal year, learning communities may levy a
20 maximum levy of two cents on each one hundred dollars of taxable
21 property subject to the levy for elementary learning center facility
22 leases, for remodeling of leased elementary learning center
23 facilities, and for up to fifty percent of the estimated cost for
24 focus school or program capital projects approved by the learning
25 community coordinating council pursuant to section 79-2111.

1 (i) For each fiscal year, learning communities may levy a
2 maximum levy of one cent on each one hundred dollars of taxable
3 property subject to the levy for elementary learning center
4 employees, for contracts with other entities or individuals who are
5 not employees of the learning community for elementary learning
6 center programs and services, and for pilot projects, except that no
7 more than ten percent of such levy may be used for elementary
8 learning center employees.

9 (3)(a) For fiscal years prior to fiscal year 2010-11,
10 community colleges may levy a maximum levy calculated pursuant to the
11 Community College Foundation and Equalization Aid Act on each one
12 hundred dollars of taxable property subject to the levy.

13 (b) For fiscal year 2010-11 and each fiscal year
14 thereafter, in lieu of the calculation of a maximum levy for
15 operating expenditures pursuant to the Community College Foundation
16 and Equalization Aid Act, community colleges may levy a maximum of
17 ten and one-quarter cents per one hundred dollars of taxable
18 valuation of property subject to the levy for operating expenditures
19 and may also levy the additional levies provided in subsection (2) of
20 section 85-1517.

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

24 (b) Natural resources districts shall also have the power
25 and authority to levy a tax equal to the dollar amount by which their

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

9 (c) In addition, natural resources districts located in a
10 river basin, subbasin, or reach that has been determined to be fully
11 appropriated pursuant to section 46-714 or designated as
12 overappropriated pursuant to section 46-713 by the Department of
13 Natural Resources shall also have the power and authority to levy a
14 tax equal to the dollar amount by which their restricted funds
15 budgeted to administer and implement ground water management
16 activities and integrated management activities under the Nebraska
17 Ground Water Management and Protection Act exceed their restricted
18 funds budgeted to administer and implement ground water management
19 activities and integrated management activities for FY2005-06, not to
20 exceed three cents on each one hundred dollars of taxable valuation
21 on all of the taxable property within the district for fiscal year
22 2006-07 and each fiscal year thereafter through fiscal year 2011-12.

23 (5) Any educational service unit authorized to levy a
24 property tax pursuant to section 79-1225 may levy a maximum levy of
25 one and one-half cents per one hundred dollars of taxable valuation

1 of property subject to the levy.

2 (6)(a) Incorporated cities and villages which are not
3 within the boundaries of a municipal county may levy a maximum levy
4 of forty-five cents per one hundred dollars of taxable valuation of
5 property subject to the levy plus an additional five cents per one
6 hundred dollars of taxable valuation to provide financing for the
7 municipality's share of revenue required under an agreement or
8 agreements executed pursuant to the Interlocal Cooperation Act or the
9 Joint Public Agency Act. The maximum levy shall include amounts
10 levied to pay for sums to support a library pursuant to section
11 51-201, museum pursuant to section 51-501, visiting community nurse,
12 home health nurse, or home health agency pursuant to section 71-1637,
13 or statue, memorial, or monument pursuant to section 80-202.

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

23 (7) Sanitary and improvement districts which have been in
24 existence for more than five years may levy a maximum levy of forty
25 cents per one hundred dollars of taxable valuation of property

1 subject to the levy, and sanitary and improvement districts which
2 have been in existence for five years or less shall not have a
3 maximum levy. Unconsolidated sanitary and improvement districts which
4 have been in existence for more than five years and are located in a
5 municipal county may levy a maximum of eighty-five cents per hundred
6 dollars of taxable valuation of property subject to the levy.

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

1 for support of an agreement or agreements to be levied by the
2 political subdivision for the purpose of supporting that political
3 subdivision's share of revenue required under an agreement or
4 agreements executed pursuant to the Interlocal Cooperation Act or the
5 Joint Public Agency Act. If an allocation by a county would cause
6 another county to exceed its levy authority under this section, the
7 second county may exceed the levy authority in order to levy the
8 amount allocated. Property tax levies for costs of reassumption of
9 the assessment function pursuant to section 77-1340 or 77-1340.04 are
10 not included in the levy limits established in this subsection for
11 fiscal years 2010-11 through 2013-14.

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

17 (10) Property tax levies for judgments, ~~except judgments~~
18 ~~or orders from the Commission of Industrial Relations,~~ obtained
19 against a political subdivision which require or obligate a political
20 subdivision to pay such judgment, to the extent such judgment is not
21 paid by liability insurance coverage of a political subdivision, for
22 preexisting lease-purchase contracts approved prior to July 1, 1998,
23 for bonded indebtedness approved according to law and secured by a
24 levy on property except as provided in section 44-4317 for bonded
25 indebtedness issued by educational service units and school

1 districts, and for payments by a public airport to retire interest-
2 free loans from the Department of Aeronautics in lieu of bonded
3 indebtedness at a lower cost to the public airport are not included
4 in the levy limits established by this section.

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

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

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

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

1 except levies for bonded indebtedness approved by the voters of the
2 school district and levies for the refinancing of such bonded
3 indebtedness, shall be considered unauthorized levies under section
4 77-1606.

5 Sec. 9. Section 79-1028, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 79-1028 For school fiscal years prior to school fiscal
8 year 2008-09:

9 (1) A Class II, III, IV, V, or VI school district may
10 exceed its applicable allowable growth rate for (a) expenditures in
11 support of a service which is the subject of an agreement or a
12 modification of an existing agreement whether operated by one of the
13 parties to the agreement or an independent joint entity or joint
14 public agency, (b) expenditures to pay for repairs to infrastructure
15 damaged by a natural disaster which is declared a disaster emergency
16 pursuant to the Emergency Management Act, (c) expenditures to pay for
17 judgments, ~~except judgments or orders from the Commission of~~
18 ~~Industrial Relations~~, obtained against a school district which
19 require or obligate a school district to pay such judgment, to the
20 extent such judgment is not paid by liability insurance coverage of a
21 school district, (d) expenditures to pay for sums agreed to be paid
22 by a school district to certificated employees in exchange for a
23 voluntary termination of employment, or (e) expenditures to pay for
24 lease-purchase contracts approved on or after July 1, 1997, and
25 before July 1, 1998, to the extent the lease payments were not

1 budgeted expenditures for fiscal year 1997-98;

2 (2) A Class II, III, IV, V, or VI district may exceed its
 3 applicable allowable growth rate by a specific dollar amount if the
 4 district projects an increase in formula students in the district
 5 over the current school year greater than twenty-five students or
 6 greater than those listed in the schedule provided in this
 7 subdivision, whichever is less. Districts shall project increases in
 8 formula students on forms prescribed by the department. The
 9 department shall approve, deny, or modify the projected increases.

10	Average daily	Projected increase
11	membership of	of formula students
12	district	by percentage
13	0 - 50	10
14	50.01 - 250	5
15	250.01 - 1,000	3
16	1,000.01 and over	1

17 The department shall compute the district's estimated
 18 allowable budget per pupil using the budgeted general fund
 19 expenditures found on the budget statement for the current school
 20 year divided by the number of formula students in the current school
 21 year and multiplied by the district's applicable allowable growth
 22 rate. The resulting allowable budget per pupil shall be multiplied by
 23 the projected formula students to arrive at the estimated budget
 24 needs for the ensuing year. The department shall allow the district

1 to increase its general fund budget of expenditures for the ensuing
2 school year by the amount necessary to fund the estimated budget
3 needs of the district as computed pursuant to this subdivision. On or
4 before July 1, the department shall make available to districts which
5 have been allowed additional growth pursuant to this subdivision the
6 necessary document to recalculate the actual formula students of such
7 district. Such document shall be filed with the department under
8 subsection (1) of section 79-1024;

9 (3) A Class II, III, IV, V, or VI district may exceed its
10 applicable allowable growth rate by a specific dollar amount if
11 construction, expansion, or alteration of district buildings will
12 cause an increase in building operation and maintenance costs of at
13 least five percent. The department shall document the projected
14 increase in building operation and maintenance costs and may allow a
15 Class II, III, IV, V, or VI district to exceed its applicable
16 allowable growth rate by the amount necessary to fund such increased
17 costs. The department shall compute the actual increased costs for
18 the school year and shall notify the district on or before July 1 of
19 the recovery of the additional growth pursuant to this subdivision;

20 (4) A Class II, III, IV, V, or VI district may exceed its
21 applicable allowable growth rate by a specific dollar amount if the
22 district demonstrates to the satisfaction of the department that it
23 will exceed its applicable allowable growth rate as a result of costs
24 pursuant to the Retirement Incentive Plan authorized in section
25 79-855 or the Staff Development Assistance authorized in section

1 79-856. The department shall compute the amount by which the
2 increased cost of such program or programs exceeds the district's
3 applicable allowable growth rate and shall allow the district to
4 increase its general fund expenditures by such amount for that fiscal
5 year;

6 (5) A Class II, III, IV, or V district may exceed its
7 applicable allowable growth rate by the specific dollar amount of
8 incentive payments or base fiscal year incentive payments to be
9 received in such school fiscal year pursuant to section 79-1011;

10 (6) A Class II, III, IV, V, or VI district may exceed its
11 applicable allowable growth rate by a specific dollar amount in any
12 year for which the state aid calculation for the local system
13 includes students in the qualified early childhood education fall
14 membership of the district for the first time or for a year in which
15 an early childhood education program of the district is receiving an
16 expansion grant. The department shall compute the amount by which the
17 district may exceed the district's applicable allowable growth rate
18 by multiplying the cost grouping cost per student for the applicable
19 cost grouping by the district's adjusted formula students attributed
20 to early childhood education programs if students are included in the
21 district's qualified early childhood education fall membership for
22 the first time or by the district's adjusted formula students
23 attributed to such early childhood education programs minus the
24 district's adjusted formula students attributed to such early
25 childhood education programs for the prior school fiscal year if a

1 program is receiving an expansion grant in the school fiscal year for
2 which the fall membership is measured. The department shall allow the
3 district to increase its general fund expenditures by such amount for
4 such school fiscal year;

5 (7) A Class II, III, IV, or V school district may exceed
6 its applicable allowable growth rate by a specific dollar amount not
7 to exceed the amount received during such school fiscal year from
8 educational entities as defined in section 79-1201.01 for providing
9 distance education courses through the Distance Education Council;
10 and

11 (8) A Class II, III, IV, or V school district may exceed
12 its applicable allowable growth rate for school fiscal year 2007-08
13 by a specific dollar amount equal to the amount paid in school fiscal
14 year 2006-07 to any distance education consortium in which the school
15 district was participating pursuant to an interlocal agreement.

16 Sec. 10. Section 79-1028.01, Revised Statutes Cumulative
17 Supplement, 2010, is amended to read:

18 79-1028.01 (1) For each school fiscal year, a school
19 district may exceed its maximum general fund budget of expenditures
20 minus the special education budget of expenditures by a specific
21 dollar amount for:

22 (a) Expenditures for repairs to infrastructure damaged by
23 a natural disaster which is declared a disaster emergency pursuant to
24 the Emergency Management Act;

25 (b) Expenditures for judgments, ~~except judgments or~~

1 ~~orders from the Commission of Industrial Relations,~~ obtained against
2 a school district which require or obligate a school district to pay
3 such judgment, to the extent such judgment is not paid by liability
4 insurance coverage of a school district;

5 (c) Expenditures pursuant to the Retirement Incentive
6 Plan authorized in section 79-855 or the Staff Development Assistance
7 authorized in section 79-856;

8 (d) Expenditures of incentive payments or base fiscal
9 year incentive payments to be received in such school fiscal year
10 pursuant to section 79-1011;

11 (e) Expenditures of amounts received from educational
12 entities as defined in section 79-1201.01 for providing distance
13 education courses through the Educational Service Unit Coordinating
14 Council to such educational entities;

15 (f) Either (i) the first and second school fiscal years
16 the district will be participating in Network Nebraska for the full
17 school fiscal year or (ii) school fiscal year 2008-09, if the school
18 district participated in Network Nebraska for all of school fiscal
19 year 2007-08, for the difference of the estimated expenditures for
20 such school fiscal year for telecommunications services, access to
21 data transmission networks that transmit data to and from the school
22 district, and the transmission of data on such networks as such
23 expenditures are defined by the department for purposes of the
24 distance education and telecommunications allowance minus the dollar
25 amount of such expenditures for the second school fiscal year

1 preceding the first full school fiscal year the district participates
2 in Network Nebraska;

3 (g) Expenditures to pay another school district for the
4 transfer of land from such other school district;

5 (h) Expenditures in school fiscal years 2009-10 through
6 2013-14 to pay for employer contributions pursuant to subsection (2)
7 of section 79-958 to the School Retirement System of the State of
8 Nebraska to the extent that such expenditures exceed the employer
9 contributions under such subsection that would have been made at a
10 contribution rate of seven and thirty-five hundredths percent;

11 (i) Expenditures in school fiscal years 2009-10 through
12 2013-14 to pay for school district contributions pursuant to
13 subdivision (1)(c)(i) of section 79-9,113 to the Class V School
14 Employees Retirement System to the extent that such expenditures
15 exceed the school district contributions under such subdivision that
16 would have been made at a contribution rate of seven and thirty-seven
17 hundredths percent;

18 (j) Expenditures for sums agreed to be paid by a school
19 district to certificated employees in exchange for a voluntary
20 termination occurring prior to July 1, 2009;

21 (k) Expenditures for new elementary attendance sites in
22 the first year of operation or the first year of operation after
23 being closed for at least one school year if such elementary
24 attendance site will most likely qualify for the elementary site
25 allowance in the immediately following school fiscal year as

1 determined by the state board; and

2 (1) Any expenditures in school fiscal years 2016-17 and
3 2017-18 of amounts specified in the notice provided by the
4 Commissioner of Education pursuant to section 79-309.01 for teacher
5 performance pay.

6 (2) The state board shall approve, deny, or modify the
7 amount allowed for any exception to the maximum general fund budget
8 of expenditures minus the special education budget of expenditures
9 pursuant to this section.

10 Sec. 11. Section 79-2116, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 79-2116 Terms and conditions of employment of school
13 employees providing services for an elementary learning center shall
14 be established by the ~~negotiated agreement of the learning community~~
15 ~~employing such school employees to provide services. For certificated~~
16 ~~employees as defined in subdivision (1) of section 79-824, the~~
17 ~~learning community shall be deemed to be an employer as defined in~~
18 ~~subdivision (4) of section 48-801.~~ Compensation paid to school
19 employees for services provided to a learning community shall be
20 subject to the School Employees Retirement Act unless such employee
21 is employed by a Class V school district, in which case compensation
22 paid such school employee shall be subject to the Class V School
23 Employees Retirement Act.

24 Sec. 12. Section 81-8,303, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 81-8,303 For purposes of the State Contract Claims Act,
2 unless the context otherwise requires:

3 (1) Contract claim shall mean a claim against the state
4 involving a dispute regarding a contract between the State of
5 Nebraska or a state agency and the claimant other than employment
6 contracts covered by the State Personnel System; ~~or entered into~~
7 ~~pursuant to the State Employees Collective Bargaining Act;~~

8 (2) Contracting agency shall mean the state agency which
9 is a party to a contract which gives rise to the contract claim; and

10 (3) State agency shall mean all departments, agencies,
11 boards, bureaus, and commissions of the State of Nebraska and
12 corporations the primary function of which is to act as, and while
13 acting as, instrumentalities or agencies of the State of Nebraska but
14 shall not include corporations that are essentially private
15 corporations or entities created pursuant to the Interlocal
16 Cooperation Act or the Joint Public Agency Act. State agency shall
17 not be construed to include any contractor with the State of
18 Nebraska.

19 Sec. 13. Section 81-1108, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 81-1108 The Department of Administrative Services shall
22 fulfill the functions in the administration of state government of
23 fiscal control, of centralizing services, of personnel services, and
24 of risk management. There shall be separate divisions within the
25 department to assist in fulfilling these functions. The divisions

1 shall be the accounting division and the budget division in the area
2 of fiscal control, the information management services division,
3 materiel division, state building division, and division of
4 communications in the area of centralized services, the personnel
5 division and the Division of Employee Relations in the area of
6 personnel services, and the risk management and state claims division
7 in the area of risk management. The Director of Administrative
8 Services shall appoint a separate administrator as head of each
9 division other than the Division of Employee Relations, the division
10 of communications, and the information management services division.
11 The director shall have the responsibility and authority for
12 directing and coordinating the programs and activities of the several
13 divisions and shall be empowered to remove the administrators of any
14 of the several divisions ~~other than the Chief Negotiator~~ at his or
15 her discretion. The director shall have the power to delegate
16 authority for administration of sections 81-1101 to 81-1189 and
17 81-1301 to 81-1391 and the Risk Management Program to any of the
18 division heads as he or she may deem appropriate except as otherwise
19 provided by law.

20 Sec. 14. Section 81-1307.01, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 81-1307.01 The Director of Personnel shall measure,
23 through the use of salary surveys, the competitive standing of state
24 salaries with salary levels of the labor market. The State Personnel
25 Board shall review the methodology and results of the survey. A

1 report of the survey findings, including the board's review, shall be
2 provided to the Legislature and the Governor along with the
3 recommendations regarding wages, hours, and terms and conditions of
4 employment for unorganized employees, ~~by the Chief Negotiator~~
5 ~~pursuant to section 81-1376.~~

6 Sec. 15. Section 81-1307.02, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 81-1307.02 The Legislature shall consider the results of
9 the salary survey and any recommendation from the Governor, or
10 Director of Personnel, ~~or Chief Negotiator~~ concerning unorganized
11 state employee salary increases when making appropriations to state
12 agencies. The Legislature shall attempt to provide an appropriate
13 balance between assuring that all employees performing at a
14 satisfactory level will receive appropriate salary increases and the
15 need for administrative flexibility to reward those who perform at a
16 superior level.

17 Sec. 16. Section 81-1316, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 81-1316 (1) All agencies and personnel of state
20 government shall be covered by sections 81-1301 to 81-1319 and shall
21 be considered subject to the State Personnel System, except the
22 following:

23 (a) All personnel of the office of the Governor;

24 (b) All personnel of the office of the Lieutenant
25 Governor;

- 1 (c) All personnel of the office of the Secretary of
2 State;
- 3 (d) All personnel of the office of the State Treasurer;
- 4 (e) All personnel of the office of the Attorney General;
- 5 (f) All personnel of the office of the Auditor of Public
6 Accounts;
- 7 (g) All personnel of the Legislature;
- 8 (h) All personnel of the court systems;
- 9 (i) All personnel of the Board of Educational Lands and
10 Funds;
- 11 (j) All personnel of the Public Service Commission;
- 12 (k) All personnel of the Nebraska Brand Committee;
- 13 ~~(l) All personnel of the Commission of Industrial~~
14 ~~Relations;~~
- 15 ~~(m)~~ (l) All personnel of the State Department of
16 Education;
- 17 ~~(n)~~ (m) All personnel of the Nebraska state colleges and
18 the Board of Trustees of the Nebraska State Colleges;
- 19 ~~(o)~~ (n) All personnel of the University of Nebraska;
- 20 ~~(p)~~ (o) All personnel of the Coordinating Commission for
21 Postsecondary Education;
- 22 ~~(q)~~ (p) All personnel of the Governor's Policy Research
23 Office, but not to include personnel within the State Energy Office;
- 24 ~~(r)~~ (q) All personnel of the Commission on Public
25 Advocacy;

1 ~~(s)~~(r) All agency heads;

2 ~~(t)~~(i)~~(s)~~(i) The Director of Behavioral Health of the
3 Division of Behavioral Health; (ii) the Director of Children and
4 Family Services of the Division of Children and Family Services;
5 (iii) the Director of Developmental Disabilities of the Division of
6 Developmental Disabilities; (iv) the Director of Medicaid and Long-
7 Term Care of the Division of Medicaid and Long-Term Care; (v) the
8 Director of Public Health of the Division of Public Health; and (vi)
9 the Director of Veterans' Homes of the Division of Veterans' Homes;

10 ~~(u)~~(t) The chief medical officer established under
11 section 81-3115, the Administrator of the Office of Juvenile
12 Services, and the chief executive officers of the Beatrice State
13 Developmental Center, Lincoln Regional Center, Norfolk Regional
14 Center, Hastings Regional Center, Grand Island Veterans' Home,
15 Norfolk Veterans' Home, Eastern Nebraska Veterans' Home, Western
16 Nebraska Veterans' Home, Youth Rehabilitation and Treatment Center-
17 Kearney, and Youth Rehabilitation and Treatment Center-Geneva;

18 ~~(v)~~(u) The chief executive officers of all facilities
19 operated by the Department of Correctional Services and the medical
20 director for the department appointed pursuant to section 83-4,156;

21 ~~(w)~~(v) All personnel employed as pharmacists,
22 physicians, psychiatrists, or psychologists by the Department of
23 Correctional Services;

24 ~~(x)~~(w) All personnel employed as pharmacists,
25 physicians, psychiatrists, psychologists, service area

1 administrators, or facility operating officers of the Department of
 2 Health and Human Services;

3 ~~(y)~~(x) Deputies and examiners of the Department of
 4 Banking and Finance and the Department of Insurance as set forth in
 5 sections 8-105 and 44-119, except for those deputies and examiners
 6 who remain in the State Personnel System; and

7 ~~(z)~~(y) All personnel of the Tax Equalization and Review
 8 Commission.

9 (2) At each agency head's discretion, up to the following
 10 number of additional positions may be exempted from the State
 11 Personnel System, based on the following agency size categories:

12	Number of Agency	Number of Noncovered
13	Employees	Positions
14	less than 25	0
15	25 to 100	1
16	101 to 250	2
17	251 to 500	3
18	501 to 1000	4
19	1001 to 2000	5
20	2001 to 3000	8
21	3001 to 4000	11
22	4001 to 5000	14
23	over 5000	25

1 The purpose of having such noncovered positions shall be
2 to allow agency heads the opportunity to recruit, hire, and supervise
3 critical, confidential, or policymaking personnel without
4 restrictions from selection procedures, compensation rules, career
5 protections, and grievance privileges. Persons holding the noncovered
6 positions shall serve at the pleasure of the agency head and shall be
7 paid salaries set by the agency head.

8 (3) No changes to this section or to the number of
9 noncovered positions within an agency shall affect the status of
10 personnel employed on the date the changes become operative without
11 their prior written agreement. A state employee's career protections
12 or coverage by personnel rules and regulations shall not be revoked
13 by redesignation of the employee's position as a noncovered position
14 without the prior written agreement of such employee.

15 Sec. 17. Section 81-1317, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 81-1317 ~~Except as may be prohibited by the Industrial~~
18 ~~Relations Act or the State Employees Collective Bargaining Act and~~
19 ~~except~~ for the pay increases provided by the Legislature, the
20 Director of Personnel shall have authority to establish programs and
21 otherwise adjust terms and conditions of employment for employees,
22 ~~not covered by collective bargaining agreements, including terms and~~
23 conditions of employment which may not be specifically provided or
24 may otherwise be provided by law, ~~in order to make such terms and~~
25 ~~conditions of employment more consistent with those of such covered~~

1 ~~employees or otherwise address changes arising out of collective~~
2 ~~bargaining, but in no event shall the adjustment exceed the benefits~~
3 ~~derived from collective bargaining.~~

4 Sec. 18. Section 81-1346, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 81-1346 There is hereby established a program to be known
7 as the employee suggestion system to encourage the development of
8 ideas for improving the economy and efficiency of state government
9 and to grant awards for ideas of proper merit and implement them in
10 the governmental process. The employee suggestion system shall apply
11 to all state personnel except ~~those personnel listed in subdivisions~~
12 ~~(1)(n), (o), and (s) of section 81-1316, of the Nebraska state~~
13 colleges, the University of Nebraska, the Board of Trustees of the
14 Nebraska State Colleges, all agency heads, any judge, or any elected
15 official.

16 Sec. 19. Section 81-1348, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 81-1348 There is hereby created the Suggestion Award
19 Board. The membership of such board shall consist of the Director of
20 Personnel, the Director of Administrative Services, the Auditor of
21 Public Accounts, and three persons, each to serve a term of three
22 years, selected and appointed by the Governor, ~~from the bargaining~~
23 ~~units listed in section 81-1373,~~ except that the first three
24 appointments made after February 23, 2000, shall be for terms of one
25 year, two years, and three years, as designated by the Governor. Of

1 ~~the persons selected from such bargaining units, one person shall be~~
2 ~~selected from each of such bargaining units as follows:~~

3 ~~(1) The first term from the bargaining units listed in~~
4 ~~subdivisions (1)(a), (b), and (l) of such section;~~

5 ~~(2) The second term from the bargaining units listed in~~
6 ~~subdivisions (1)(c), (d), and (g) of such section;~~

7 ~~(3) The third term from the bargaining units listed in~~
8 ~~subdivisions (1)(e), (f), and (h) of such section; and~~

9 ~~(4) The fourth term from the bargaining units listed in~~
10 ~~subdivisions (1)(i), (j), and (k) of such section.~~

11 ~~After the fourth term, the appointments shall be made~~
12 ~~starting from subdivision (1) of this section and following the same~~
13 ~~sequence.~~

14 ~~Whenever a vacancy occurs on the board for any reason,~~
15 ~~the Governor shall appoint an individual to fill such vacancy from~~
16 ~~the same bargaining unit in which the vacancy exists.~~

17 The members shall be reimbursed for their actual and
18 necessary expenses as provided in sections 81-1174 to 81-1177.

19 The board shall adopt and promulgate rules and
20 regulations to aid in carrying out sections 81-1350 and 81-1351.

21 Sec. 20. Section 84-901, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 84-901 For purposes of the Administrative Procedure Act:

24 (1) Agency shall mean each board, commission, department,
25 officer, division, or other administrative office or unit of the

1 state government authorized by law to make rules and regulations,
2 except the Adjutant General's office as provided in Chapter 55, the
3 courts including the Nebraska Workers' Compensation Court, ~~the~~
4 ~~Commission of Industrial Relations,~~ the Legislature, and the
5 Secretary of State with respect to the duties imposed by the act;

6 (2) Rule or regulation shall mean any rule, regulation,
7 or standard issued by an agency, including the amendment or repeal
8 thereof whether with or without prior hearing and designed to
9 implement, interpret, or make specific the law enforced or
10 administered by it or governing its organization or procedure. Rule
11 or regulation shall not include (a) rules and regulations concerning
12 the internal management of the agency not affecting private rights,
13 private interests, or procedures available to the public or (b)
14 permits, certificates of public convenience and necessity,
15 franchises, rate orders, and rate tariffs and any rules of
16 interpretation thereof. For purposes of the act, every rule and
17 regulation which prescribes a penalty shall be presumed to have
18 general applicability or to affect private rights and interests;

19 (3) Contested case shall mean a proceeding before an
20 agency in which the legal rights, duties, or privileges of specific
21 parties are required by law or constitutional right to be determined
22 after an agency hearing;

23 (4) Ex parte communication shall mean an oral or written
24 communication which is not on the record in a contested case with
25 respect to which reasonable notice to all parties was not given.

1 Filing and notice of filing provided under subdivision (6)(d) of
2 section 84-914 shall not be considered on the record and reasonable
3 notice for purposes of this subdivision. Ex parte communication shall
4 not include:

5 (a) Communications which do not pertain to the merits of
6 a contested case;

7 (b) Communications required for the disposition of ex
8 parte matters as authorized by law;

9 (c) Communications in a ratemaking or rulemaking
10 proceeding; and

11 (d) Communications to which all parties have given
12 consent; and

13 (5) Hearing officer shall mean the person or persons
14 conducting a hearing, contested case, or other proceeding pursuant to
15 the act, whether designated as the presiding officer, administrative
16 law judge, or some other title designation.

17 Sec. 21. Section 84-1603, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 84-1603 The personnel division of the Department of
20 Administrative Services shall select, with the assistance of the Risk
21 Manager, ~~and the Chief Negotiator,~~ one or more carriers or
22 combinations of carriers licensed to do insurance business in
23 Nebraska to serve as administrator of the insurance contract or
24 contracts. Such selection shall be made after open competitive
25 bidding in which any carrier authorized to provide the type or types

1 of insurance coverage involved shall be eligible to participate. The
2 personnel division may develop bid specifications which provide for
3 various forms of plan design and funding methods, including plans of
4 self-insurance or any combination of such methods. The personnel
5 division may utilize such expert technical assistance provided by the
6 Risk Manager, ~~the Chief Negotiator,~~ and other state agencies or
7 outside consultants as may be required to establish and evaluate
8 criteria for selection of carriers. The insurance contract or
9 contracts may be subject to rebidding at any time after the inception
10 of this program at the discretion of the personnel division.

11 Sec. 22. Section 85-1411, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 85-1411 To assist it in carrying out its duties, the
14 commission shall:

15 (1) Employ an executive director and all other employees
16 of the office of the commission and hire consultants as may be
17 necessary and prescribe their duties;

18 (2) ~~Except as may be provided pursuant to the State~~
19 ~~Employees Collective Bargaining Act, fix~~ Fix the compensation of the
20 officers and employees of the office and provide benefits for all
21 present or future employees of the commission, including retirement
22 benefits, group life insurance, group hospital-medical insurance, and
23 group long-term disability income insurance;

24 (3) Pay expenses for the recruitment of administrative
25 and professional personnel for the commission; and

1 (4) Adopt and promulgate rules and regulations pursuant
2 to the Administrative Procedure Act or as otherwise provided in the
3 Coordinating Commission for Postsecondary Education Act to carry out
4 the Coordinating Commission for Postsecondary Education Act and the
5 powers and duties of the commission, except that for sections 85-1402
6 and 85-1413 to 85-1416, the provisions in section 84-908 for approval
7 of the adoption, amendment, or repeal of any rule or regulation by
8 the Governor shall not apply.

9 Sec. 23. Original sections 23-2518.01, 25-2618, 49-506,
10 49-617, 79-1028, 79-2116, 81-8,303, 81-1108, 81-1307.01, 81-1307.02,
11 81-1316, 81-1317, 81-1346, 81-1348, 84-901, 84-1603, and 85-1411,
12 Reissue Revised Statutes of Nebraska, and sections 11-201, 13-520,
13 77-3442, and 79-1028.01, Revised Statutes Cumulative Supplement,
14 2010, are repealed.

15 Sec. 24. The following sections are outright repealed:
16 Sections 48-801, 48-801.01, 48-802, 48-803, 48-804, 48-804.01,
17 48-804.02, 48-804.03, 48-805, 48-806, 48-807, 48-808, 48-809, 48-810,
18 48-810.01, 48-811, 48-811.01, 48-811.02, 48-812, 48-813, 48-814,
19 48-815, 48-816, 48-816.01, 48-816.02, 48-817, 48-818, 48-819,
20 48-819.01, 48-821, 48-822, 48-823, 48-824, 48-825, 48-837, 48-838,
21 48-842, 79-852, 81-1317.01, 81-1369, 81-1370, 81-1371, 81-1372,
22 81-1373, 81-1374, 81-1375, 81-1376, 81-1377, 81-1378, 81-1379,
23 81-1380, 81-1381, 81-1382, 81-1383, 81-1384, 81-1385, 81-1386,
24 81-1387, 81-1388, 81-1389, 81-1390, and 85-1,119, Reissue Revised
25 Statutes of Nebraska.