

AMENDMENTS TO LB152

Introduced by Crawford, 45.

1 1. Strike the original sections and all amendments thereto and
2 insert the following new sections:

3 Section 1. (1) The mayor and the council of any city or board of
4 trustees of any village, in addition to other powers granted by law, may
5 by ordinance or resolution provide for direct borrowing from a financial
6 institution for the purposes outlined in this section. Loans made under
7 this section shall not be restricted to a single year and may be repaid
8 in installment payments.

9 (2) The mayor and the council of any city or board of trustees of
10 any village may borrow directly from a financial institution for the
11 purchase of real or personal property, construction of improvements, or
12 refinancing of existing indebtedness upon a certification in the
13 ordinance or resolution authorizing the direct borrowing that:

14 (a) Financing the purchase of property, construction of
15 improvements, or refinancing of existing indebtedness through traditional
16 bond financing would be impractical;

17 (b) Financing the purchase of property, construction of
18 improvements, or refinancing of existing indebtedness through traditional
19 bond financing could not be completed within the time restraints facing
20 the city or village; or

21 (c) Financing the purchase of property, construction of
22 improvements, or refinancing of existing indebtedness through direct
23 borrowing would generate taxpayer savings over traditional bond
24 financing.

25 (3) Prior to approving direct borrowing under this section, the
26 council or board of trustees shall include in any public notice required
27 for meetings a clear notation that an ordinance or resolution authorizing

1 direct borrowing from a financial institution will appear on the agenda.

2 (4) The total amount of indebtedness from direct borrowing under
3 this section shall not exceed:

4 (a) For a city of the metropolitan class, city of the primary class,
5 city of the first class, or city of the second class, ten percent of the
6 municipal budget of the city; and

7 (b) For any village, twenty percent of the municipal budget of the
8 village.

9 (5) Prior to approving direct borrowing under this section, a
10 municipality shall consider, to the extent possible, proposals from
11 multiple financial institutions.

12 (6) For purposes of this section, financial institution means a
13 state-chartered or federally-chartered bank, savings bank, building and
14 loan association, or savings and loan association.

15 Sec. 2. The Revisor of Statutes shall assign section 1 of this act
16 to Chapter 18.