

AMENDMENTS TO LB492

Introduced by Urban Affairs.

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

3           Section 1. Sections 1 to 25 of this act shall be known and may be  
4 cited as the Regional Metropolitan Transit Authority Act.

5           Sec. 2. The Legislature finds and declares that:

6           (1) Passenger, truck, and pedestrian traffic on streets located in  
7 municipalities within metropolitan statistical areas have been and  
8 continue to be severely congested by the number of motor vehicles  
9 operating within such municipalities;

10          (2) Such existing traffic congestion has created a dangerous hazard  
11 to the lives and property of pedestrians and those traveling in private  
12 and public vehicles and obstructs the administration of firefighting  
13 forces and police protection forces in such municipalities;

14          (3) The availability of public transportation within such  
15 municipalities plays an increasing role in the recruitment and retention  
16 of both businesses and employees within such municipalities;

17          (4) Public transportation fosters economic development, real estate  
18 investment, and local job creation, and investment in new public  
19 transportation projects provides both short-term and long-term impacts on  
20 economic growth;

21          (5) Interconnectivity of public transportation systems across  
22 multiple municipalities within the same metropolitan statistical area can  
23 play a critical role in fostering economic growth, avoiding duplication  
24 of service, ensuring equitable access to transportation service  
25 throughout contiguous urbanized areas, and supporting transportation that  
26 crosses jurisdictional boundaries; and

27          (6) Relieving congestion on the streets of such municipalities and

1 providing for the establishment of comprehensive regional public  
2 transportation systems in such municipalities is a matter of public  
3 interest and statewide concern.

4 Sec. 3. For purposes of the Regional Metropolitan Transit Authority  
5 Act:

6 (1) Board means the board of directors of any regional metropolitan  
7 transit authority established under the Regional Metropolitan Transit  
8 Authority Act;

9 (2) Governing body means the city council of a city or the village  
10 board of trustees of a village;

11 (3) Metropolitan statistical area means a core-based statistical  
12 area delineated by the United States Office of Management and Budget as a  
13 metropolitan statistical area under standards developed using 2010 census  
14 data and 2006-2010 American Community Survey data, as such delineations  
15 existed on April 10, 2018;

16 (4) Municipality means any city or village in the State of Nebraska;

17 (5) Revenue bonds means revenue bonds issued by a regional  
18 metropolitan transit authority established under the Regional  
19 Metropolitan Transit Authority Act; and

20 (6) Territory means the operating jurisdiction of a regional  
21 metropolitan transit authority as established pursuant to section 4 of  
22 this act.

23 Sec. 4. (1) A transit authority established under the Transit  
24 Authority Law which serves one or more municipalities located within the  
25 same metropolitan statistical area may convert into a regional  
26 metropolitan transit authority upon a two-thirds vote of the board of  
27 directors of such transit authority. As of the effective date of such  
28 conversion, to be specified at the time of such vote, such transit  
29 authority shall remain a body corporate and politic and a governmental  
30 subdivision of the State of Nebraska, but thereafter shall be known as  
31 the Regional Metropolitan Transit Authority of . . . . (filling out the

1 blank with the name of the municipality that established the transit  
2 authority under the Transit Authority Law or of the municipality,  
3 municipalities, region, or metropolitan statistical area comprising the  
4 regional metropolitan transit authority). In addition to the powers and  
5 authority granted under the Transit Authority Law, such regional  
6 metropolitan transit authority shall have and possess all of the powers  
7 and authority of, together with the duties and responsibilities of, a  
8 regional metropolitan transit authority pursuant to the Regional  
9 Metropolitan Transit Authority Act. The operating jurisdiction of such  
10 regional metropolitan transit authority shall be deemed to extend to all  
11 areas within the boundaries of the municipality that established the  
12 transit authority under the Transit Authority Law, as may thereafter be  
13 expanded.

14 (2) At any time after a transit authority established under the  
15 Transit Authority Law has converted into a regional metropolitan transit  
16 authority, any municipality that is within the same metropolitan  
17 statistical area as such regional metropolitan transit authority may  
18 vote, by a two-thirds vote of its governing body, to request to join such  
19 regional metropolitan transit authority. Upon approval of such request by  
20 a two-thirds vote of the board of directors of such regional metropolitan  
21 transit authority, the operating jurisdiction of such regional  
22 metropolitan transit authority shall be deemed to extend to all areas  
23 within the boundaries of such municipality, as may thereafter be  
24 expanded.

25 (3) Any regional metropolitan transit authority established pursuant  
26 to this section shall have full and exclusive jurisdiction and control  
27 over all public passenger transportation facilities and systems that are  
28 owned, controlled, operated, or acquired by such regional metropolitan  
29 transit authority or that are located in any municipality in which such  
30 authority shall be deemed to have operating jurisdiction pursuant to this  
31 section, excluding taxicabs, transportation network companies, and

1 interstate railroad systems, with the right and duty to charge and  
2 collect revenue for the operation and maintenance of such systems and for  
3 the benefit of the holders of any of its revenue bonds or other  
4 liabilities.

5       Sec. 5. (1) Nothing in the Regional Metropolitan Transit Authority  
6 Act shall be construed to prohibit any municipality from contracting  
7 directly for passenger transportation services with a transit authority  
8 established under the Transit Authority Law or with any regional  
9 metropolitan transit authority, other than a municipality in which the  
10 operating jurisdiction of a regional metropolitan transit authority has  
11 been extended pursuant to section 4 of this act.

12       (2) No more than one regional metropolitan transit authority shall  
13 be created within a single metropolitan statistical area.

14       Sec. 6. For purposes of calculating allowable growth under the  
15 Nebraska Budget Act, the following shall be treated as an annexation of  
16 territory by a regional metropolitan transit authority:

17       (1) If the municipality that established the transit authority prior  
18 to the conversion of such authority into a regional metropolitan transit  
19 authority annexes additional territory after such conversion; or

20       (2) If any other municipality which joined such regional  
21 metropolitan transit authority pursuant to subsection (2) of section 4 of  
22 this act annexes additional territory after joining such regional  
23 metropolitan transit authority.

24       Sec. 7. (1) The governing body of a regional metropolitan transit  
25 authority shall be a board to be known as the Regional Metropolitan  
26 Transit Board of ..... (filling out the blank to coincide  
27 with the name of such regional metropolitan transit authority).

28       (2) As of the effective date of the conversion of a transit  
29 authority established under the Transit Authority Law into a regional  
30 metropolitan transit authority under section 4 of this act, the board of  
31 the existing transit authority shall serve as the temporary board to

1 govern the regional metropolitan transit authority until a board is  
2 elected pursuant to section 8 of this act.

3 (3) Any vacancy on the temporary board of a regional metropolitan  
4 transit authority shall be filled by appointment by the mayor of the city  
5 that appointed the members of such temporary board, with the approval of  
6 the governing bodies of such municipalities, to serve the unexpired  
7 portion of the temporary board member's term.

8 Sec. 8. (1) Following the effective date of a conversion of a  
9 transit authority established under the Transit Authority Law into a  
10 regional metropolitan transit authority, the election commissioner or  
11 county clerk of the county in which the majority of the territory of the  
12 authority is located shall divide the territory of the authority into  
13 seven numbered districts for the purpose of electing members to the  
14 board. Such districts shall be compact and contiguous and substantially  
15 equal in population. The newly established districts shall be certified  
16 to the Secretary of State following such creation. The newly established  
17 districts shall apply beginning with the nomination and election of board  
18 members at the next statewide primary and general elections held at least  
19 seventy days after the effective date of such conversion. Following the  
20 drawing of initial districts pursuant to this section, additional  
21 redistricting shall be undertaken by the board according to section  
22 32-553. One member shall be elected from each district as provided in  
23 section 36 of this act.

24 (2) Upon the joining of a municipality or municipalities to an  
25 existing regional metropolitan transit authority by agreement pursuant to  
26 subsection (2) of section 4 of this act, the board shall redraw the  
27 boundaries of the districts to ensure that such districts remain compact  
28 and contiguous and substantially equal in population. The newly  
29 established districts shall be certified to the Secretary of State within  
30 six months following the joining of such municipality or municipalities  
31 and shall apply beginning with the nomination and election of board

1 members at the next statewide primary and general elections held at least  
2 seventy days after the certification of the districts.

3 (3) A vacancy in office for an elected member of the board shall  
4 occur as set forth in section 32-560. Whenever any such vacancy occurs,  
5 the remaining members of the board shall appoint an individual residing  
6 within the geographical boundaries of the district in which the vacancy  
7 occurred for the balance of the unexpired term.

8 Sec. 9. Each member of the board, before entering upon the duties  
9 of office, shall file with the city clerk or village clerk of the  
10 municipality in which he or she resides an oath that he or she will duly  
11 and faithfully perform all the duties of the office to the best of his or  
12 her ability and a bond in the penal sum of five thousand dollars executed  
13 by one or more qualified sureties for the faithful performance of his or  
14 her duties. If any member fails to file such oath and bond on or before  
15 the first day of the term for which he or she was appointed or elected,  
16 his or her office shall be deemed to be vacant.

17 Sec. 10. (1) Not later than seven days after the qualification of  
18 the members, the board shall organize for the transaction of business,  
19 shall select a chairperson and vice-chairperson from among its members,  
20 and shall adopt bylaws, rules, and regulations to govern its proceedings.  
21 The chairperson and vice-chairperson and their successors shall be  
22 elected annually by the board and shall serve for a term of one year. Any  
23 vacancy in the office of chairperson or vice-chairperson shall be filled  
24 by election by the board for the remainder of the term.

25 (2) A quorum for the transaction of business shall consist of four  
26 members of the board, unless such board is a temporary board under  
27 section 7 of this act, in which case a quorum shall consist of three  
28 members of the board.

29 (3) Regular meetings of the board shall be held at least once in  
30 each calendar month at a time and place to be fixed by the board.

31 (4) All actions of the board shall be by resolution except as may

1 otherwise be provided in the Regional Metropolitan Transit Authority Act,  
2 and the affirmative vote of a majority of the board members shall be  
3 necessary for the adoption of any resolution.

4 (5) The board shall keep accurate minutes of all its proceedings.  
5 All resolutions and all proceedings of a regional metropolitan transit  
6 authority and all official documents and records of such authority shall  
7 be public records and open to public inspection, except for such  
8 documents which may be withheld from the public pursuant to section  
9 84-712.05.

10 Sec. 11. No member of the board and no officer or employee of a  
11 regional metropolitan transit authority shall have any private financial  
12 interest, profit, or benefit in any contract, work, or business of such  
13 authority or in the sale or lease of any property to or from such  
14 authority.

15 Sec. 12. For purposes of the Regional Metropolitan Transit  
16 Authority Act, a regional metropolitan transit authority shall possess  
17 all of the necessary powers of a public body corporate and politic and  
18 governmental subdivision of the State of Nebraska, including, but not  
19 limited to:

20 (1) To maintain a principal office and, if necessary, satellite  
21 offices in the municipality or municipalities which form the authority;

22 (2) To adopt an official seal;

23 (3) To employ a general manager, engineers, accountants, attorneys,  
24 financial experts, and such other employees and agents as may be  
25 necessary and to fix the compensation of such employees and agents;

26 (4) To adopt, amend, and repeal bylaws, rules, and regulations for  
27 the regulation of its affairs and for the conduct of its business;

28 (5) To acquire, lease, own, maintain, and operate for public service  
29 a public transit system, excluding taxicabs, transportation network  
30 companies, and interstate railroad systems, within any municipality in  
31 which such authority (a) is deemed to have operating jurisdiction

1 pursuant to section 4 of this act or (b) is permitted to provide service  
2 under the Regional Metropolitan Transit Authority Act;

3 (6) To sue and be sued in its own name, but execution shall not, in  
4 any case, issue against any of its property, except that the lessor,  
5 vendor, or trustee under any agreement, lease, conditional sales  
6 contract, conditional lease contract, or equipment trust certificate, as  
7 provided for in subdivision (15) of this section, may repossess the  
8 equipment described therein upon default;

9 (7) To acquire, lease, and hold such real or personal property  
10 wherever located and any rights, interests, or easements therein as may  
11 be necessary or convenient for the purpose of the authority, including,  
12 but not limited to, the acquisition, leasing, and holding of any real  
13 property along a planned future public transit route, and to sell,  
14 assign, and convey such property;

15 (8) To make and enter into any and all contracts and agreements with  
16 (a) any individual, (b) any public or private corporation or agency of  
17 the State of Nebraska, (c) any public or private corporation or agency of  
18 any state of the United States that is adjacent to any municipality or  
19 municipalities (i) which form the authority in which such authority has  
20 operating jurisdiction pursuant to section 4 of this act or (ii) in which  
21 such authority may otherwise be operating or providing service, and (d)  
22 the United States Government, as may be necessary or incidental to the  
23 performance of the duties of the authority and the execution of its  
24 powers under the Regional Metropolitan Transit Authority Act and to enter  
25 into agreements under the Interlocal Cooperation Act or the Joint Public  
26 Agency Act;

27 (9) To contract with an operating and management company for the  
28 purpose of operating, servicing, and maintaining any public transit  
29 system of the authority;

30 (10) To borrow money and issue and sell negotiable revenue bonds,  
31 notes, or other evidence of indebtedness, to provide for the rights of



1 the holders thereof, and to pledge all or any part of the income of the  
2 authority received under the Regional Metropolitan Transit Authority Act  
3 to secure the payment thereof;

4 (11) To receive and accept from the United States Government or any  
5 agency thereof, from the State of Nebraska or any subdivision thereof,  
6 and from any person or corporation, donations or loans or grants for or  
7 in aid of the acquisition or operation of public transit facilities, and  
8 to administer, hold, use, and apply the same for the purposes for which  
9 such grants or donations may have been made;

10 (12) To exercise the right of eminent domain under and pursuant to  
11 the laws of the State of Nebraska to acquire private property, including  
12 any existing private passenger transportation system, but excluding any  
13 taxicabs, transportation network companies, railroads, and air passenger  
14 transportation systems, which is necessary for the public transit  
15 purposes of the authority, including the right to acquire rights and  
16 easements across, under, or over the rights-of-way of any railroad.  
17 Exercise of the right of eminent domain shall be pursuant to sections  
18 76-704 to 76-724;

19 (13) To use for transportation of passengers and services or  
20 improvements related to such transportation, any public road, public  
21 street, or other public way in any municipality in which such authority  
22 (a) is deemed to have operating jurisdiction pursuant to section 4 of  
23 this act or (b) is permitted to provide service under the Regional  
24 Metropolitan Transit Authority Act, subject in all cases to the  
25 continuing rights of the public to the use thereof;

26 (14) To purchase and dispose of equipment and to execute any  
27 agreement, lease, conditional sales contract, conditional lease contract,  
28 or equipment trust note or certificate to effect such purpose;

29 (15) To pay for any equipment and rentals in installments and to  
30 give evidence by equipment trust notes or certificates of any deferred  
31 installments. Title to such equipment need not vest in the authority

1 until the equipment trust notes or certificates are paid;

2 (16) To levy an annual property tax pursuant to section 22 of this  
3 act for the fiscal year commencing on the following January 1, not to  
4 exceed in any one year ten cents on each one hundred dollars on the  
5 taxable value of the taxable property that at the time of the levy is  
6 located in, or during the ensuing fiscal year will be located in, any  
7 municipality in which such authority is deemed to have operating  
8 jurisdiction pursuant to section 4 of this act;

9 (17) To apply for and accept grants and loans from the United States  
10 Government, or any agency or instrumentality thereof, to be used for any  
11 of the authorized purposes of the authority, and to enter into any  
12 agreement with the United States Government, or any agency or  
13 instrumentality thereof, in relation to such grants or loans, subject to  
14 the Regional Metropolitan Transit Authority Act;

15 (18) To determine routes of any public transit system of the  
16 authority and to change such routes subject to the Regional Metropolitan  
17 Transit Authority Act;

18 (19) To fix rates, fares, and charges for any public transit system  
19 and related facilities of the authority;

20 (20) To provide free transportation for firefighters and police  
21 officers in uniform in the municipality or municipalities served by the  
22 authority in which they are employed or upon presentation of proper  
23 firefighter or police officer identification and for employees of such  
24 authority when in uniform;

25 (21) To enter into agreements with the United States Postal Service  
26 or its successors for the transportation of mail and letter carriers and  
27 the payment therefor;

28 (22) To exercise all powers usually granted to corporations, public  
29 and private, necessary or convenient to carry out the powers granted by  
30 the Regional Metropolitan Transit Authority Act; and

31 (23) To establish pension and retirement plans for officers and

1 employees and to adopt any existing pension and retirement plans and any  
2 existing pension and retirement contracts for officers and employees of  
3 any passenger transportation system purchased or otherwise acquired  
4 pursuant to the Regional Metropolitan Transit Authority Act.

5       Sec. 13. The revenue derived from rates, fares, and charges fixed  
6 under subdivision (19) of section 12 of this act, from property taxes  
7 levied pursuant to section 22 of this act, from any grants or loans  
8 received under subdivision (17) of section 12 of this act, and from any  
9 donations or other funds received from other sources shall at all times  
10 be sufficient in the aggregate to provide for the payment of (1) all  
11 operating costs of the regional metropolitan transit authority, (2)  
12 interest on the principal of all revenue bonds, revenue certificates,  
13 equipment trust notes or certificates, and other obligations of the  
14 authority, and all other charges upon such revenue as may be provided by  
15 any trust agreement executed by such authority in connection with the  
16 issuance of revenue bonds or certificates under the Regional Metropolitan  
17 Transit Authority Act, and (3) any other costs and charges, acquisitions,  
18 installations, replacements, or reconstruction of equipment, structures,  
19 or rights-of-way not financed through the issuance of revenue bonds or  
20 certificates.

21       Sec. 14. (1) Beginning on the first December 31 following the date  
22 of the conversion of a transit authority established under the Transit  
23 Authority Law into a regional metropolitan transit authority, and each  
24 December 31 thereafter, for a retirement plan established pursuant to  
25 subdivision (23) of section 12 of this act or pursuant to subdivision  
26 (24) of section 14-1805 by any regional metropolitan transit authority  
27 which is a defined benefit plan, the chairperson of the board or his or  
28 her designee shall prepare and electronically file an annual report with  
29 the Auditor of Public Accounts and the Nebraska Retirement Systems  
30 Committee of the Legislature. The report shall be on a form prescribed by  
31 the Auditor of Public Accounts and shall include, but not be limited to,

1 the following information:

2 (a) The levels of benefits of participants in the plan, the number  
3 of members who are eligible for a benefit, the total present value of  
4 such members' benefits, and the funding sources which will pay for such  
5 benefits; and

6 (b) A copy of a full actuarial analysis of each such defined benefit  
7 plan. The analysis shall be prepared by an independent private  
8 organization or public entity employing actuaries who are members in good  
9 standing of the American Academy of Actuaries, and which organization or  
10 entity has demonstrated expertise to perform this type of analysis and is  
11 unrelated to any organization which offers investment advice or provides  
12 investment management services to the retirement plan.

13 (2) The Auditor of Public Accounts may prepare a review of such  
14 report pursuant to section 84-304.02 but is not required to do so. If the  
15 authority does not submit a copy of the report to the Auditor of Public  
16 Accounts within six months after the end of the plan year, the Auditor of  
17 Public Accounts may audit, or cause to be audited, the authority. All  
18 costs of the audit shall be paid by the authority.

19 Sec. 15. (1) A regional metropolitan transit authority shall have  
20 the continuing power to borrow money for the purpose of acquiring any  
21 transportation system and necessary cash or working funds, for  
22 reconstructing, extending, or improving any public transit system of the  
23 authority or any part thereof, and for acquiring any property and  
24 equipment useful for the reconstruction, extension, improvement, and  
25 operation of any public transit system of the authority or any part  
26 thereof.

27 (2) For purposes of evidencing the obligation of the authority to  
28 repay any money borrowed under this section, the authority may, pursuant  
29 to resolution adopted by the board from time to time, issue and dispose  
30 of its interest-bearing revenue bonds or certificates. The authority may  
31 also from time to time issue and dispose of its interest-bearing revenue

1 bonds or certificates to refund any revenue bonds or certificates at  
2 maturity, or pursuant to redemption provisions, or at any time before  
3 maturity with the consent of the holders thereof.

4 (3) All such revenue bonds and certificates shall be payable solely  
5 from the revenue or income to be derived from the public transit system  
6 and related facilities, including, but not limited to, the revenue  
7 derived from rates, fares, and charges fixed under subdivision (19) of  
8 section 12 of this act, from property taxes levied pursuant to section 22  
9 of this act, from any grants or loans received under subdivision (17) of  
10 section 12 of this act, and from any donations or other funds received  
11 from other sources. Such revenue bonds and certificates may bear such  
12 date or dates, may mature at such time or times as may be fixed by the  
13 board, may bear interest at such rate or rates as may be fixed by the  
14 board, payable semiannually, may be in such form, may carry such  
15 registration privileges, may be executed in such manner, may be payable  
16 at such place or places, may be made subject to redemption in such manner  
17 and upon such terms with or without premium as is stated on the face  
18 thereof, may be authenticated in such manner, and may contain such terms  
19 and covenants as may be provided in such resolution. Notwithstanding the  
20 form or tenor thereof, and in the absence of an express recital on the  
21 face thereof that they are nonnegotiable, all such revenue bonds and  
22 certificates shall be negotiable instruments.

23 (4) Pending the preparation and execution of any such revenue bonds  
24 or certificates, temporary bonds or certificates may be issued with or  
25 without interest coupons as may be provided by resolution of the board.  
26 To secure the payment of any or all of such temporary bonds or  
27 certificates, and for the purpose of setting forth the covenants and  
28 undertakings of the authority in connection with the issuance thereof and  
29 the issuance of any additional temporary bonds or certificates, as well  
30 as the use and application of the revenue or income to be derived from  
31 the public transit system, from property taxes levied, and from any

1 grants or loans, as provided in the Regional Metropolitan Transit  
2 Authority Act, the authority may execute and deliver a trust agreement or  
3 agreements. No lien upon any physical property of the authority shall be  
4 created by such trust agreement or agreements. A remedy for any breach or  
5 default of the terms of any such trust agreement by the authority may be  
6 by mandamus or other appropriate proceedings in any court of competent  
7 jurisdiction to compel performance and compliance therewith. The trust  
8 agreement may prescribe by whom or on whose behalf such action may be  
9 instituted.

10       Sec. 16. Under no circumstances shall any revenue bonds or  
11 certificates issued by a regional metropolitan transit authority or any  
12 other obligation of such authority be or become an indebtedness or  
13 obligation of the State of Nebraska, or of any other political  
14 subdivision or body corporate and politic or of any municipality within  
15 the state, nor shall any such revenue bond, certificate, or obligation be  
16 or become an indebtedness of the authority within the purview of any  
17 constitutional limitation or provision, and it shall be plainly stated on  
18 the face of each revenue bond and certificate that it does not constitute  
19 such an indebtedness or obligation but is payable solely from revenue and  
20 income and other sources of revenue of such authority as provided in  
21 subsection (3) of section 15 of this act.

22       Sec. 17. Before any revenue bonds or certificates, excepting  
23 refunding bonds or certificates, are sold pursuant to section 15 of this  
24 act, the entire authorized issue, or any part thereof, shall be offered  
25 for sale as a unit after advertising for bids at least three times in a  
26 legal newspaper in or of general circulation in the municipality or  
27 municipalities served by the regional metropolitan transit authority, the  
28 last publication to be at least ten days before bids are required to be  
29 filed. Copies of such advertisement may also be published in any  
30 newspaper or financial publication in the United States. All bids shall  
31 be sealed, filed, and opened as provided by resolution adopted by the

1 board, and the revenue bonds or certificates shall be awarded to the  
2 highest and best bidder or bidders therefor. The authority shall have the  
3 right to reject all bids and readvertise for bids in the manner provided  
4 for in the initial advertisement. If no bids are received, such revenue  
5 bonds or certificates may be sold at the best possible price according to  
6 the discretion of the board, without further advertising, and within  
7 thirty days after the bids are required to be filed pursuant to any  
8 advertisement.

9       Sec. 18. (1) Revenue bonds issued by a regional metropolitan  
10 transit authority under the Regional Metropolitan Transit Authority Act  
11 are hereby made securities in which (a) the state and all its political  
12 subdivisions and their officers, boards, commissions, departments, or  
13 other agencies, (b) all banks, bankers, savings banks, trust companies,  
14 savings and loan associations, investment companies, insurance  
15 associations, and other persons carrying on an insurance business, (c)  
16 all administrators, executors, guardians, trustees, and other  
17 fiduciaries, and (d) all other persons whatsoever who now are or may  
18 hereafter be authorized to invest in bonds or other obligation of the  
19 state, may properly and legally invest any funds, including capital  
20 belonging to them or within their control.

21       (2) Such revenue bonds or other securities or obligations are hereby  
22 made securities which may properly and legally be deposited with and  
23 received by any state or municipal officer or any agency of the state for  
24 any purpose for which the deposit of bonds or other obligations of the  
25 state is authorized by law.

26       Sec. 19. All property of a regional metropolitan transit authority  
27 created pursuant to the Regional Metropolitan Transit Authority Act, all  
28 such authority's revenue, income, and operations, and all such  
29 authority's revenue bonds and equipment trust notes or certificates shall  
30 be exempt from any and all forms of assessment and taxation by the state  
31 or any political subdivision thereof.

1           Sec. 20. (1) A regional metropolitan transit authority may purchase  
2 equipment, may execute agreements, leases, conditional sales contracts,  
3 conditional lease contracts, and equipment trust notes or certificates in  
4 the form customarily used in such cases appropriate to effect such  
5 purchase, and may dispose of such equipment trust notes or certificates.  
6 All money required to be paid by the authority under such agreements,  
7 leases, and equipment trust notes or certificates shall be payable solely  
8 from the revenue or income to be derived from the public transit system  
9 and related facilities of the authority, including, without limitation,  
10 the revenue derived from rates, fares, and charges fixed under  
11 subdivision (19) of section 12 of this act, from property taxes levied  
12 pursuant to section 22 of this act, from any grants or loans received  
13 under subdivision (17) of section 12 of this act, and from any donations  
14 or other funds received from other sources. Payment for such equipment,  
15 or rentals therefor, may be made in installments, and the deferred  
16 installments may be evidenced by equipment trust notes or certificates  
17 payable solely from such sources of income, and title to such equipment  
18 need not vest in the authority until the equipment trust notes or  
19 certificates are paid, but when payment is accomplished the equipment  
20 title shall vest in the authority.

21           (2) Any such agreement to purchase equipment may direct the vendor  
22 to sell and assign the equipment to a bank or trust company, duly  
23 authorized to transact business in the State of Nebraska, as trustee, for  
24 the benefit and security of the equipment trust notes or certificates,  
25 may direct the trustee to deliver the equipment to one or more designated  
26 officers of the authority, and may authorize the trustee simultaneously  
27 therewith to execute and deliver a lease of the equipment to the  
28 authority.

29           (3) Any such agreements, leases, contracts, or equipment trust notes  
30 or certificates shall be duly acknowledged before some person authorized  
31 by law to take acknowledgments of deeds, and in the form required for



1 acknowledgment of deeds, and such agreements, leases, contracts, and  
2 equipment trust notes or certificates shall be authorized by resolution  
3 of the board and shall contain such covenants, conditions, and provisions  
4 as may be deemed necessary or appropriate to insure the payment of the  
5 equipment trust notes or certificates from the revenue and income of the  
6 authority.

7 (4) The covenants, conditions, and provisions of such agreements,  
8 leases, contracts, and equipment trust notes or certificates shall not  
9 conflict with any of the provisions of any trust agreement securing the  
10 payment of revenue bonds or certificates of the authority.

11 Sec. 21. (1) At least thirty days prior to the beginning of the  
12 first full fiscal year following the effective date of the conversion of  
13 a transit authority established under the Transit Authority Law into a  
14 regional metropolitan transit authority, the board shall establish a  
15 fiscal operating year, and annually thereafter the board shall cause to  
16 be prepared a tentative budget which shall include all operation and  
17 maintenance expenses for the ensuing fiscal year. The tentative budget  
18 shall be considered by the board and, subject to any revision and  
19 amendments adopted by the board, shall be adopted prior to the first day  
20 of the ensuing fiscal year as the budget for that year. No expenditure  
21 for operations and maintenance in excess of the budget shall be made  
22 during any fiscal year except by a two-thirds vote of the board. It shall  
23 not be necessary to include in the annual budget any statement of  
24 interest or principal payments on revenue bonds or certificates or for  
25 capital outlays, but the board shall make provision for payment of the  
26 same from appropriate funds.

27 (2) As soon after the end of each fiscal year as practicable, the  
28 board shall cause to be prepared and printed a complete and detailed  
29 report and financial statement of its operations and of its assets and  
30 liabilities. A reasonably sufficient number of copies of such report  
31 shall be printed for distribution to persons interested upon request, and

1 a copy shall be mailed to the mayor of the city or chairperson of the  
2 village board of trustees and the governing body of the municipality or  
3 municipalities that form the authority.

4       Sec. 22. (1) To assist in defraying the expenses of a regional  
5 metropolitan transit authority, and to such extent as in its discretion  
6 and judgment may be necessary, the board shall annually certify a tax  
7 levy for the fiscal year commencing on the following January 1. Such levy  
8 shall not exceed in any one year ten cents on each one hundred dollars on  
9 the taxable value of the taxable property that at the time of the levy is  
10 located in or during the ensuing fiscal year will be located in any  
11 municipality in which such authority shall be deemed to have operating  
12 jurisdiction pursuant to section 4 of this act.

13       (2) The board shall by resolution, on or before September 20 of each  
14 year, certify such tax levy to the county assessor of the county or  
15 counties in which the authority operates. If in any year the full amount  
16 so certified and collected is not needed for the current purposes of such  
17 authority, the balance shall be credited to the operating fund of such  
18 authority and, as the board in its discretion deems convenient, to other  
19 reserve funds of such authority.

20       Sec. 23. The board shall adopt rules and regulations governing the  
21 operation of any public transit system of the regional metropolitan  
22 transit authority and shall determine all routes of such system. The  
23 board shall, subject to section 12 of this act, fix all rates, fares, and  
24 charges for transportation on such system.

25       Sec. 24. (1) The board shall, as promptly as possible,  
26 rehabilitate, reconstruct, and modernize all portions of any  
27 transportation system acquired by the regional metropolitan transit  
28 authority, maintain at all times an adequate and modern public transit  
29 system suitable and adapted to the needs of the municipality or  
30 municipalities that form such authority, and provide for safe,  
31 comfortable, convenient, and expeditious transit service.

1           (2) To ensure a modern, attractive public transit system, the board  
2 may establish a depreciation policy which makes provision for the  
3 continuous and prompt replacement of worn out and obsolete property. The  
4 board may make provision for such depreciation of property as is not  
5 offset by current expenditures for maintenance, repairs, and replacements  
6 under such rules and regulations as may be prescribed by the board.

7           Sec. 25. (1) The board may negotiate and enter into written  
8 contracts with the employees of a regional metropolitan transit authority  
9 through accredited representatives of such employees or representatives  
10 of any labor organization authorized to act for such employees concerning  
11 wages, salaries, hours, and general working conditions. All employees of  
12 all classes serving any passenger transportation company at the time of  
13 its acquisition by such authority shall continue in their respective  
14 positions and at their respective compensation for three months after any  
15 such acquisition. Thereafter, the board shall exercise its discretion as  
16 to retention of and compensation of all classes, except that the terms  
17 and conditions of any existing collective-bargaining agreement between  
18 any passenger transportation company acquired by such authority and its  
19 employees shall be recognized and accepted by the board.

20           (2) Nothing contained in this section shall be construed to amend,  
21 alter, modify, or affect in any way whatsoever the provisions of any  
22 collective-bargaining agreement or the employment relationship between  
23 the authority and any of its officers or other employees, whether or not  
24 such employees are members of a collective-bargaining unit, including,  
25 but not limited to, the terms of any deferred compensation, pension, or  
26 retirement plans.

27           Sec. 26. Section 13-503, Revised Statutes Cumulative Supplement,  
28 2018, is amended to read:

29           13-503 For purposes of the Nebraska Budget Act, unless the context  
30 otherwise requires:

31           (1) Governing body means the governing body of any county

1 agricultural society, elected county fair board, joint airport authority  
2 formed under the Joint Airport Authorities Act, city or county airport  
3 authority, bridge commission created pursuant to section 39-868, cemetery  
4 district, city, village, municipal county, community college, community  
5 redevelopment authority, county, drainage or levee district, educational  
6 service unit, rural or suburban fire protection district, historical  
7 society, hospital district, irrigation district, learning community,  
8 natural resources district, nonprofit county historical association or  
9 society for which a tax is levied under subsection (1) of section  
10 23-355.01, public building commission, railroad transportation safety  
11 district, reclamation district, road improvement district, rural water  
12 district, school district, sanitary and improvement district, township,  
13 offstreet parking district, transit authority, regional metropolitan  
14 transit authority, metropolitan utilities district, Educational Service  
15 Unit Coordinating Council, and political subdivision with the authority  
16 to have a property tax request, with the authority to levy a toll, or  
17 that receives state aid;

18 (2) Levying board means any governing body which has the power or  
19 duty to levy a tax;

20 (3) Fiscal year means the twelve-month period used by each governing  
21 body in determining and carrying on its financial and taxing affairs;

22 (4) Tax means any general or special tax levied against persons,  
23 property, or business for public purposes as provided by law but shall  
24 not include any special assessment;

25 (5) Auditor means the Auditor of Public Accounts;

26 (6) Cash reserve means funds required for the period before revenue  
27 would become available for expenditure but shall not include funds held  
28 in any special reserve fund;

29 (7) Public funds means all money, including nontax money, used in  
30 the operation and functions of governing bodies. For purposes of a  
31 county, city, or village which has a lottery established under the

1 Nebraska County and City Lottery Act, only those net proceeds which are  
2 actually received by the county, city, or village from a licensed lottery  
3 operator shall be considered public funds, and public funds shall not  
4 include amounts awarded as prizes;

5 (8) Adopted budget statement means a proposed budget statement which  
6 has been adopted or amended and adopted as provided in section 13-506.  
7 Such term shall include additions, if any, to an adopted budget statement  
8 made by a revised budget which has been adopted as provided in section  
9 13-511;

10 (9) Special reserve fund means any special fund set aside by the  
11 governing body for a particular purpose and not available for expenditure  
12 for any other purpose. Funds created for (a) the retirement of bonded  
13 indebtedness, (b) the funding of employee pension plans, (c) the purposes  
14 of the Political Subdivisions Self-Funding Benefits Act, (d) the purposes  
15 of the Local Option Municipal Economic Development Act, (e) voter-  
16 approved sinking funds, or (f) statutorily authorized sinking funds shall  
17 be considered special reserve funds;

18 (10) Biennial period means the two fiscal years comprising a  
19 biennium commencing in odd-numbered or even-numbered years used by a  
20 city, village, or natural resources district in determining and carrying  
21 on its financial and taxing affairs; and

22 (11) Biennial budget means (a) a budget by a city of the primary or  
23 metropolitan class that adopts a charter provision providing for a  
24 biennial period to determine and carry on the city's financial and taxing  
25 affairs, (b) a budget by a city of the first or second class or village  
26 that provides for a biennial period to determine and carry on the city's  
27 or village's financial and taxing affairs, or (c) a budget by a natural  
28 resources district that provides for a biennial period to determine and  
29 carry on the natural resources district's financial and taxing affairs.

30 Sec. 27. Section 13-519, Revised Statutes Cumulative Supplement,  
31 2018, is amended to read:

1           13-519 (1)(a) Subject to subdivisions (1)(b) and (c) of this  
2 section, for all fiscal years beginning on or after July 1, 1998, no  
3 governmental unit shall adopt a budget containing a total of budgeted  
4 restricted funds more than the last prior year's total of budgeted  
5 restricted funds plus allowable growth plus the basic allowable growth  
6 percentage of the base limitation established under section 77-3446. For  
7 the second fiscal year in which a county will receive a full year of  
8 receipts from the tax imposed in sections 77-27,223 to 77-27,227, the  
9 prior year's total of restricted funds shall be the prior year's total of  
10 restricted funds plus the total receipts from the tax imposed in sections  
11 77-27,223 to 77-27,227 in the prior year. If a governmental unit  
12 transfers the financial responsibility of providing a service financed in  
13 whole or in part with restricted funds to another governmental unit or  
14 the state, the amount of restricted funds associated with providing the  
15 service shall be subtracted from the last prior year's total of budgeted  
16 restricted funds for the previous provider and may be added to the last  
17 prior year's total of restricted funds for the new provider. For  
18 governmental units that have consolidated, the calculations made under  
19 this section for consolidating units shall be made based on the combined  
20 total of restricted funds, population, or full-time equivalent students  
21 of each governmental unit.

22           (b) For all fiscal years beginning on or after July 1, 2008,  
23 educational service units may exceed the limitations of subdivision (1)  
24 (a) of this section to the extent that one hundred ten percent of the  
25 needs for the educational service unit calculated pursuant to section  
26 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to  
27 subdivision (1)(a) of this section.

28           (c) For fiscal year 2017-18, the last prior year's total of  
29 restricted funds for counties shall be the last prior year's total of  
30 restricted funds less the last prior year's restricted funds budgeted by  
31 counties under sections 39-2501 to 39-2520, plus the last prior year's

1 amount of restricted funds budgeted by counties under sections 39-2501 to  
2 39-2520 to be used for capital improvements.

3 (d) The limitations of subdivision (1)(a) of this section shall not  
4 apply to the budget or budget statement adopted by a regional  
5 metropolitan transit authority for the first five fiscal years commencing  
6 on the January 1 that follows the effective date of the conversion of the  
7 transit authority established under the Transit Authority Law into a  
8 regional metropolitan transit authority.

9 (2) A governmental unit may exceed the limit provided in subdivision  
10 (1)(a) of this section for a fiscal year by up to an additional one  
11 percent upon the affirmative vote of at least seventy-five percent of the  
12 governing body.

13 (3) A governmental unit may exceed the applicable allowable growth  
14 percentage otherwise prescribed in this section by an amount approved by  
15 a majority of legal voters voting on the issue at a special election  
16 called for such purpose upon the recommendation of the governing body or  
17 upon the receipt by the county clerk or election commissioner of a  
18 petition requesting an election signed by at least five percent of the  
19 legal voters of the governmental unit. The recommendation of the  
20 governing body or the petition of the legal voters shall include the  
21 amount and percentage by which the governing body would increase its  
22 budgeted restricted funds for the ensuing year over and above the current  
23 year's budgeted restricted funds. The county clerk or election  
24 commissioner shall call for a special election on the issue within thirty  
25 days after the receipt of such governing body recommendation or legal  
26 voter petition. The election shall be held pursuant to the Election Act,  
27 and all costs shall be paid by the governing body. The issue may be  
28 approved on the same question as a vote to exceed the levy limits  
29 provided in section 77-3444.

30 (4) In lieu of the election procedures in subsection (3) of this  
31 section, any governmental unit may exceed the allowable growth percentage

1 otherwise prescribed in this section by an amount approved by a majority  
2 of legal voters voting at a meeting of the residents of the governmental  
3 unit, called after notice is published in a newspaper of general  
4 circulation in the governmental unit at least twenty days prior to the  
5 meeting. At least ten percent of the registered voters residing in the  
6 governmental unit shall constitute a quorum for purposes of taking action  
7 to exceed the allowable growth percentage. If a majority of the  
8 registered voters present at the meeting vote in favor of exceeding the  
9 allowable growth percentage, a copy of the record of that action shall be  
10 forwarded to the Auditor of Public Accounts along with the budget  
11 documents. The issue to exceed the allowable growth percentage may be  
12 approved at the same meeting as a vote to exceed the limits or final levy  
13 allocation provided in section 77-3444.

14 Sec. 28. Section 13-1205, Revised Statutes Cumulative Supplement,  
15 2018, is amended to read:

16 13-1205 The department shall have the following powers, duties, and  
17 responsibilities:

18 (1) To collect and maintain data on the level of public  
19 transportation services and needs in the state and identify areas not  
20 being adequately served by existing public or private transportation  
21 services;

22 (2) To assess the regional and statewide effect of changes,  
23 improvement, and route abandonments in the state's public transportation  
24 system;

25 (3) To develop a six-year statewide transit plan and programs for  
26 public transportation in coordination with local plans and programs  
27 developed by municipalities, counties, ~~and~~ transit authorities, and  
28 regional metropolitan transit authorities;

29 (4) To provide planning and technical assistance to agencies of the  
30 state, political subdivisions, or groups seeking to improve public  
31 transportation;



1 (5) To advise, consult, and cooperate with agencies of the state,  
2 the federal government, and other states, interstate agencies, political  
3 subdivisions, and groups concerned with public transportation;

4 (6) To cooperate with the Public Service Commission by providing  
5 periodic assessments to the commission when determining the effect of  
6 proposed regulatory decisions on public transportation;

7 (7) To administer federal and state programs providing financial  
8 assistance to public transportation, except those federal and state  
9 programs in which a municipality, county, transit authority, regional  
10 metropolitan transit authority, or other state agency is designated as  
11 the administrator; and

12 (8) To exercise all other powers necessary and proper for the  
13 discharge of its duties, including the adoption and promulgation of  
14 reasonable rules and regulations to carry out the Nebraska Public  
15 Transportation Act act.

16 Sec. 29. Section 13-1209, Revised Statutes Cumulative Supplement,  
17 2018, is amended to read:

18 13-1209 (1) A public transportation assistance program is hereby  
19 established to provide state assistance for the capital acquisition and  
20 operating costs of public transportation systems.

21 (2) Any municipality, county, transit authority, regional  
22 metropolitan transit authority, or qualified public-purpose organization  
23 shall be eligible to receive financial assistance for the eligible  
24 capital acquisition and operating costs of a public transportation  
25 system, whether the applicant directly operates such system or contracts  
26 for its operation. A qualified public-purpose organization shall not be  
27 eligible for financial assistance under the Nebraska Public  
28 Transportation Act if such organization is currently receiving state  
29 funds for a program which includes transportation services and such  
30 funding and services would be duplicated by the act. Eligible operating  
31 costs include those expenses incurred in the operation of a public

1 transportation system which exceed the amount of operating revenue and  
2 which are not otherwise eligible for reimbursement from any available  
3 federal programs other than those administered by the United States  
4 Department of the Treasury. Eligible capital acquisition costs include  
5 investments in the purchase, replacement, and rebuilding of buses and  
6 other vehicles used for public transportation.

7 (3) The state grant to an applicant shall not exceed fifty percent  
8 of the eligible capital acquisition or operating costs of the public  
9 transportation system as provided for in subsection (2) of this section.  
10 The amount of state funds shall be matched by an equal amount of local  
11 funds in support of capital acquisition or operating costs.

12 Sec. 30. Section 13-1213, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 13-1213 (1) An intercity bus system assistance program is hereby  
15 established to provide state assistance for the operation of intercity  
16 bus systems.

17 (2) Any municipality, county, transit authority, regional  
18 metropolitan transit authority, or qualified public-purpose organization  
19 shall be eligible to receive (a) financial assistance for the eligible  
20 operating costs of such system, whether the applicant directly operates  
21 the system or contracts for its operation, and (b) financial assistance  
22 to match federal funds available for the purchase of vehicles and  
23 equipment for the start of an intercity bus system or the replacement of  
24 vehicles used in the operation of an intercity bus system. The vehicles  
25 shall be titled to such municipality, county, transit authority, regional  
26 metropolitan transit authority, or qualified public-purpose organization.

27 (3) The department may contract for an intercity bus system with  
28 either a publicly owned provider or a provider owned by a qualified  
29 public-purpose organization.

30 (4) Any intercity bus system to be funded under this section shall  
31 be selected based on criteria established by the department.

1           Sec. 31. Section 13-2202, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           13-2202 For purposes of the Local Government Miscellaneous  
4 Expenditure Act:

5           (1) Elected and appointed officials and employees shall mean the  
6 elected and appointed officials and employees of any local government;

7           (2) Governing body shall mean, in the case of a city of any class,  
8 the city council; in the case of a village, cemetery district, community  
9 hospital for two or more adjoining counties, county hospital, road  
10 improvement district, sanitary drainage district, or sanitary and  
11 improvement district, the board of trustees; in the case of a county, the  
12 county board; in the case of a municipal county, the council; in the case  
13 of a township, the town board; in the case of a school district, the  
14 school board; in the case of a rural or suburban fire protection  
15 district, reclamation district, natural resources district, regional  
16 metropolitan transit authority, or hospital district, the board of  
17 directors; in the case of a health district, the board of health; in the  
18 case of an educational service unit, the board; in the case of a  
19 community college, the Community College Board of Governors for the area  
20 the board serves; in the case of an airport authority, the airport  
21 authority board; in the case of a weed control authority, the board; in  
22 the case of a county agricultural society, the board of governors; and in  
23 the case of a learning community, the learning community coordinating  
24 council;

25           (3) Local government shall mean cities of any class, villages,  
26 cemetery districts, community hospitals for two or more adjoining  
27 counties, county hospitals, road improvement districts, counties,  
28 townships, sanitary drainage districts, sanitary and improvement  
29 districts, school districts, rural or suburban fire protection districts,  
30 reclamation districts, natural resources districts, regional metropolitan  
31 transit authorities, hospital districts, health districts, educational

1 service units, community colleges, airport authorities, weed control  
2 authorities, county agricultural societies, and learning communities;

3 (4) Public funds shall mean such public funds as defined in section  
4 13-503 as are under the direct control of governing bodies of local  
5 governments;

6 (5) Public meeting shall mean all regular, special, or called  
7 meetings, formal or informal, of any governing body for the purposes of  
8 briefing, discussion of public business, formation of tentative policy,  
9 or the taking of any action of the governing body; and

10 (6) Volunteer shall mean a person who is not an elected or appointed  
11 official or an employee of a local government and who, at the request or  
12 with the permission of the local government, engages in activities  
13 related to the purposes or functions of the local government or for its  
14 general benefit.

15 Sec. 32. Section 13-2401, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 13-2401 (1) For purposes of this section:

18 (a) Political subdivision includes villages, cities of all classes,  
19 counties, municipal counties, school districts, and all other units of  
20 local government, including entities created pursuant to the Interlocal  
21 Cooperation Act or Joint Public Agency Act. Political subdivision does  
22 not include any contractor with a political subdivision;

23 (b) Receiving entity means a political subdivision which receives  
24 transferred employees from a separate political subdivision; and

25 (c) Transferring entity means a political subdivision which is  
26 transferring employees to a separate political subdivision.

27 (2) For transfers involving a retirement system which maintains a  
28 defined benefit plan, the transfer value of the transferring employee's  
29 accrued benefit shall be calculated by one or both of the retirement  
30 systems involved as follows:

31 (a) If the retirement system of the transferring entity maintains a

1 defined benefit plan, an initial benefit transfer value of the employee's  
2 accrued benefit shall be determined by calculating the present value of  
3 the employee's retirement benefit based on the employee's years of  
4 service as of the date of transfer and the other actuarial assumptions of  
5 the retirement system of the transferring entity so that the effect on  
6 the retirement system of the transferring entity will be actuarially  
7 neutral; and

8 (b) If the retirement system of the receiving entity maintains a  
9 defined benefit plan, the final benefit transfer value of the employee's  
10 accrued benefit shall be determined by calculating the present value of  
11 the employee's retirement benefit as if the employee were employed on the  
12 date of transfer and had completed the same amount of service with the  
13 same compensation as the employee actually completed at the transferring  
14 entity prior to transfer. The calculation shall then be based on the  
15 employee's assumed years of service as of the date of transfer and the  
16 other actuarial assumptions of the retirement system of the receiving  
17 entity so that the effect on the retirement system of the receiving  
18 entity will be actuarially neutral.

19 (3) A full-time or part-time employee of a transferring entity who  
20 becomes an employee of a receiving entity pursuant to a merger of  
21 services shall receive credit for his or her years of participation in  
22 the retirement system of the transferring entity for purposes of  
23 membership in the retirement system of the receiving entity.

24 (4) An employee referred to in subsection (3) of this section shall  
25 have his or her participation in the retirement system of the  
26 transferring entity transferred to the retirement system of the receiving  
27 entity through one of the following options:

28 (a) If the retirement system of the receiving entity maintains a  
29 defined contribution plan, the employee shall transfer all of his or her  
30 funds by paying to the retirement system of the receiving entity from  
31 funds held by the retirement system of the transferring entity an amount

1 equal to one of the following: (i) If the retirement system of the  
2 transferring entity maintains a defined benefit plan, an amount not to  
3 exceed the initial benefit transfer value, leaving no funds attributable  
4 to the transferred employee within the retirement system of the  
5 transferring entity, or (ii) if the retirement system of the transferring  
6 entity maintains a defined contribution plan, an amount not to exceed the  
7 employee and employer accounts of the transferring employee plus earnings  
8 during the period of employment with the transferring entity. The  
9 employee shall receive eligibility and vesting credit for his or her  
10 years of service in a governmental plan, as defined in section 414(d) of  
11 the Internal Revenue Code, maintained by the transferring entity. Payment  
12 shall be made within five years after employment begins with the  
13 receiving entity or prior to retirement, whichever comes first, and may  
14 be made through direct payment, installment payments, or an irrevocable  
15 payroll deduction authorization; or

16 (b) If the retirement system of the receiving entity maintains a  
17 defined benefit plan, the employee shall transfer all of his or her funds  
18 out of the retirement system of the transferring entity to purchase  
19 service credits that will generate a final benefit transfer value not to  
20 exceed the employee's initial benefit transfer value in the retirement  
21 system of the transferring entity. After such purchase, the employee  
22 shall receive eligibility and vesting credit in the retirement system of  
23 the receiving entity for his or her years of service in a governmental  
24 plan, as defined in section 414(d) of the Internal Revenue Code,  
25 maintained by the transferring entity. The amount to be paid by the  
26 member for such service credit shall equal the actuarial cost to the  
27 retirement system of the receiving entity for allowing such additional  
28 service credit to the employee. If any funds remain in the retirement  
29 system of the transferring entity after the employee has purchased  
30 service credits in the retirement system of the receiving entity, such  
31 remaining funds shall be rolled over into another qualified trust under

1 section 401(a) of the Internal Revenue Code, an individual retirement  
2 account, or an individual retirement annuity. Payment shall be made  
3 within five years after the transfer of services, but prior to  
4 retirement, and may be made through direct payment, installment payments,  
5 or an irrevocable payroll deduction authorization.

6 (5) The transferring entity, the receiving entity, and the employees  
7 who are being transferred may by binding agreement determine which  
8 parties will provide funds to pay any amount needed to purchase  
9 creditable service in the retirement system of the receiving entity  
10 sufficient to provide a final benefit transfer value not to exceed the  
11 employee's initial benefit transfer value, if the amount of a direct  
12 rollover from the retirement system of the transferring entity is not  
13 sufficient to provide a final benefit transfer value in the retirement  
14 system of the receiving entity.

15 (6) The retirement system of the receiving entity may accept cash  
16 rollover contributions from a member who is making payment pursuant to  
17 this section if the contributions do not exceed the amount of payment  
18 required for the service credits purchased by the member and the  
19 contributions represent (a) all or any portion of the balance of the  
20 member's interest in a qualified trust under section 401(a) of the  
21 Internal Revenue Code or (b) the interest of the member from an  
22 individual retirement account or an individual retirement annuity, all of  
23 which is attributable to a qualified total distribution, as defined in  
24 the Internal Revenue Code, from a qualified trust under section 401(a) of  
25 the code and qualified as a tax-free rollover amount. The member's  
26 interest under subdivision (a) or (b) of this subsection must be  
27 transferred to the retirement system within sixty days after the date of  
28 the distribution from the qualified trust, individual retirement account,  
29 or individual retirement annuity.

30 (7) Cash transferred to the retirement system of the receiving  
31 entity as a rollover contribution shall be deposited as other

1 contributions.

2 (8) The retirement system of the receiving entity may accept direct  
3 rollover distributions made from a qualified trust pursuant to section  
4 401(a)(31) of the Internal Revenue Code. The direct rollover distribution  
5 shall be deposited as all other payments under this section.

6 (9) The receiving entity or its retirement system shall adopt  
7 provisions defining procedures for acceptance of rollovers which are  
8 consistent with sections 401(a)(31) and 402 of the Internal Revenue Code.

9 (10) Any retirement system authorized pursuant to section 14-1805,  
10 15-1017, 16-1004, 16-1023, 19-3501, 23-1118, or 23-2330.04 or section 12  
11 of this act or any retirement system for a city of the metropolitan class  
12 authorized pursuant to home rule charter shall be modified to conform  
13 with this section prior to any merger of service involving such system.

14 Sec. 33. Section 14-1803, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 14-1803 ~~(1) Whenever in this state a city of the metropolitan~~  
17 ~~class, a county in which such city is located, one or more adjacent~~  
18 ~~counties, and any city or village located in such counties are served in~~  
19 ~~whole or in part by a common transit system, owned and controlled by a~~  
20 ~~city of the metropolitan class as provided for in the Transit Authority~~  
21 ~~Law, then the territory within the limits of the city of the metropolitan~~  
22 ~~class and such counties, cities, or villages, including any counties,~~  
23 ~~cities, and villages that may be now or hereafter served in whole or in~~  
24 ~~part by the common transit system, shall form and constitute a transit~~  
25 ~~authority. No county, city, or village shall become a part of the transit~~  
26 ~~authority except upon approval of the governing body of the county, city,~~  
27 ~~or village and formal approval and proclamation by the board of directors~~  
28 ~~of the transit authority.~~

29 (1) (2) Any city of the metropolitan class may create by ordinance a  
30 transit authority to be managed and controlled by a board of five members  
31 which shall be appointed as provided in section 14-1813 and shall have



1 full and exclusive jurisdiction and control over all facilities owned or  
2 acquired by such city for a public passenger transportation system. The  
3 governing body of such city, in the exercise of its discretion, shall  
4 find and determine in the ordinance creating such transit authority that  
5 its creation is expedient and necessary. The chairperson of such transit  
6 authority shall be paid as compensation for his or her services not more  
7 than six hundred dollars per month. Each other member of such transit  
8 authority shall be paid as compensation for his or her services not more  
9 than five hundred dollars per month. All salaries and compensation shall  
10 be obligations against and paid solely from the revenue of such transit  
11 authority. Members of such transit authority shall also be entitled to  
12 reimbursement for expenses paid or incurred in the performance of the  
13 duties imposed upon them by the Transit Authority Law with reimbursement  
14 for mileage to be made at the rate provided in section 81-1176. The board  
15 may delegate to one or more of the members or to officers, agents, and  
16 employees of the authority such powers and duties as it may deem proper.  
17 Any transit authority created pursuant to such law shall have and retain  
18 full and exclusive jurisdiction and control over all public passenger  
19 transportation systems in such city, ~~county in which such city is~~  
20 ~~located, adjacent county, or city or village located in such counties~~  
21 ~~served by the authority,~~ excluding taxicabs, transportation network  
22 companies, and interstate railroad systems in such city, and over all  
23 public passenger transportation systems operated by such transit  
24 authority in any county, city, or village served by the authority, with  
25 the right and duty to charge and collect revenue for the operation and  
26 maintenance of such systems and for the benefit of the holders of any of  
27 its bonds or other liabilities. Unless such authority elects to convert  
28 to a regional metropolitan transit authority under the Regional  
29 Metropolitan Transit Authority Act, if ~~if~~ such authority ceases to exist,  
30 its rights and properties shall pass to and vest in such city of the  
31 metropolitan class.

1           Sec. 34. Section 14-1812, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           14-1812 Unless the authority elects to convert into a regional  
4 metropolitan transit authority pursuant to the Regional Metropolitan  
5 Transit Authority Act, the ~~The~~ governing body of the authority shall be a  
6 board to be known as The Transit Authority of ....., filling out  
7 the blank with the name of the city, which shall consist of five members,  
8 to be appointed as provided in section 14-1813. If at any time such  
9 authority elects to convert into a regional metropolitan transit  
10 authority, then as of the effective date of such conversion, the  
11 governing body of a transit authority established under the Transit  
12 Authority Law shall become a board known as the Regional Metropolitan  
13 Transit Board of . . . . (filling out the blank with the name coinciding  
14 with the name of the regional metropolitan transit authority determined  
15 pursuant to section 4 of this act). Thereafter, notwithstanding any  
16 provision in the Transit Authority Law to the contrary, such board shall  
17 consist of members as determined under and be governed by and subject to  
18 the Regional Metropolitan Transit Authority Act.

19           Sec. 35. Section 32-101, Revised Statutes Cumulative Supplement,  
20 2018, is amended to read:

21           32-101 Sections 32-101 to 32-1551 and section 36 of this act shall  
22 be known and may be cited as the Election Act.

23           Sec. 36. (1) Members of the board of directors of a regional  
24 metropolitan transit authority shall be nominated at the statewide  
25 primary election and elected at the statewide general election following  
26 the effective date of the conversion of such transit authority  
27 established under the Transit Authority Law into a regional metropolitan  
28 transit authority as provided in section 8 of this act, and subsequently  
29 elected members shall be nominated at subsequent statewide primary  
30 elections and elected at subsequent statewide general elections.  
31 Candidates for election shall be nominated upon a nonpartisan ballot.

1           (2) Members elected to represent odd-numbered districts in the first  
2 election of board members shall be elected for two-year terms. Members  
3 elected to represent even-numbered districts in the first election of  
4 board members shall be elected for four-year terms. Members elected in  
5 subsequent elections shall be elected for four-year terms and until their  
6 successors are elected and qualified.

7           (3) Members shall take office on the first Thursday after the first  
8 Tuesday in January following their election, except that members  
9 appointed to fill vacancies shall take office immediately following  
10 administration of the oath of office.

11           Sec. 37. Section 32-567, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13           32-567 Vacancies in office shall be filled as follows:

14           (1) In state and judicial district offices and in the membership of  
15 any board or commission created by the state when no other method is  
16 provided, by the Governor;

17           (2) In county offices, by the county board;

18           (3) In the membership of the county board, by the county clerk,  
19 county attorney, and county treasurer;

20           (4) In the membership of the city council, according to section  
21 32-568 or 32-569, as applicable;

22           (5) In township offices, by the township board or, if there are two  
23 or more vacancies on the township board, by the county board;

24           (6) In offices in public power and irrigation districts, according  
25 to section 70-615;

26           (7) In offices in natural resources districts, according to section  
27 2-3215;

28           (8) In offices in community college areas, according to section  
29 85-1514;

30           (9) In offices in educational service units, according to section  
31 79-1217;

1 (10) In offices in hospital districts, according to section 23-3534;

2 (11) In offices in metropolitan utilities districts, according to  
3 section 14-2104;

4 (12) In membership on airport authority boards, according to section  
5 3-502, 3-611, or 3-703, as applicable;

6 (13) In membership on the board of trustees of a road improvement  
7 district, according to section 39-1607;

8 (14) In membership on the council of a municipal county, by the  
9 council;~~and~~

10 (15) For learning community coordinating councils, according to  
11 section 32-546.01; and -

12 (16) For regional metropolitan transit authority boards, according  
13 to section 8 of this act.

14 Sec. 38. Section 32-604, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 32-604 (1) Except as provided in subsection (2) or (4) of this  
17 section, no person shall be precluded from being elected or appointed to  
18 or holding an elective office for the reason that he or she has been  
19 elected or appointed to or holds another elective office.

20 (2) No person serving as a member of the Legislature or in an  
21 elective office described in Article IV, section 1 or 20, or Article VII,  
22 section 3 or 10, of the Constitution of Nebraska shall simultaneously  
23 serve in any other elective office, except that such a person may  
24 simultaneously serve in another elective office which is filled at an  
25 election held in conjunction with the annual meeting of a public body.

26 (3) Whenever an incumbent serving as a member of the Legislature or  
27 in an elective office described in Article IV, section 1 or 20, or  
28 Article VII, section 3 or 10, of the Constitution of Nebraska assumes  
29 another elective office, except an elective office filled at an election  
30 held in conjunction with the annual meeting of a public body, the office  
31 first held by the incumbent shall be deemed vacant.

1 (4) No person serving in a high elective office shall simultaneously  
2 serve in any other high elective office, except that a county attorney  
3 may serve as the county attorney for more than one county if appointed  
4 under subsection (2) of section 23-1201.01.

5 (5) Notwithstanding subsection (4) of this section, any person  
6 holding more than one high elective office upon July 15, 2010, shall be  
7 entitled to serve the remainder of all terms for which he or she was  
8 elected or appointed.

9 (6) For purposes of this section, (a) elective office has the  
10 meaning found in section 32-109 and includes an office which is filled at  
11 an election held in conjunction with the annual meeting of a public body  
12 created by an act of the Legislature but does not include a member of a  
13 learning community coordinating council appointed pursuant to subsection  
14 (5) or (7) of section 32-546.01 prior to January 5, 2017, and (b) high  
15 elective office means a member of the Legislature, an elective office  
16 described in Article IV, section 1 or 20, or Article VII, section 3 or  
17 10, of the Constitution of Nebraska, or a county, city, community college  
18 area, learning community, regional metropolitan transit authority, or  
19 school district elective office.

20 Sec. 39. Section 32-1203, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 32-1203 (1) Each city, village, school district, public power  
23 district, sanitary and improvement district, metropolitan utilities  
24 district, fire district, natural resources district, regional  
25 metropolitan transit authority, community college area, learning  
26 community coordinating council, educational service unit, hospital  
27 district, reclamation district, and library board shall pay for the costs  
28 of nominating and electing its officers as provided in subsection (2),  
29 (3), or (4) of this section. If a special issue is placed on the ballot  
30 at the time of the statewide primary or general election by any political  
31 subdivision, the political subdivision shall pay for the costs of the

1 election as provided in subsection (2), (3), or (4) of this section. The  
2 districts listed in this subsection shall furnish to the Secretary of  
3 State and election commissioner or county clerk any maps and additional  
4 information which the election commissioner or county clerk may require  
5 in the proper performance of their duties in the conduct of elections and  
6 certification of results.

7 (2) The charge for each primary and general election shall be  
8 determined by (a) ascertaining the total cost of all chargeable costs as  
9 described in section 32-1202, (b) dividing the total cost by the number  
10 of precincts participating in the election to fix the cost per precinct,  
11 (c) prorating the cost per precinct by the inked ballot inch in each  
12 precinct for each political subdivision, and (d) totaling the cost for  
13 each precinct for each political subdivision, except that the minimum  
14 charge for each primary and general election for each political  
15 subdivision shall be one hundred dollars.

16 (3) In lieu of the charge determined pursuant to subsection (2) of  
17 this section, the election commissioner or county clerk may charge public  
18 power districts the fee for election costs set by section 70-610.

19 (4) In lieu of the charge determined pursuant to subsection (2) of  
20 this section, the election commissioner or county clerk may bill school  
21 districts directly for the costs of an election held under section  
22 10-703.01.

23 Sec. 40. Section 60-6,290, Revised Statutes Cumulative Supplement,  
24 2018, is amended to read:

25 60-6,290 (1)(a) No vehicle shall exceed a length of forty feet,  
26 extreme overall dimensions, inclusive of front and rear bumpers including  
27 load, except that:

28 (i) A bus or a motor home, as defined in section 71-4603, may exceed  
29 the forty-foot limitation but shall not exceed a length of forty-five  
30 feet;

31 (ii) A truck-tractor may exceed the forty-foot limitation;

1 (iii) A semitrailer operating in a truck-tractor single semitrailer  
2 combination, which semitrailer was actually and lawfully operating in the  
3 State of Nebraska on December 1, 1982, may exceed the forty-foot  
4 limitation;

5 (iv) A semitrailer operating in a truck-tractor single semitrailer  
6 combination, which semitrailer was not actually and lawfully operating in  
7 the State of Nebraska on December 1, 1982, may exceed the forty-foot  
8 limitation but shall not exceed a length of fifty-three feet including  
9 load;

10 (v) A semitrailer operating in a truck-tractor single semitrailer  
11 combination, while transporting baled livestock forage, may exceed the  
12 forty-foot limitation but shall not exceed a length of fifty-nine feet  
13 six inches including load; and

14 (vi) An articulated bus vehicle operated by a transit authority  
15 established under the Transit Authority Law or regional metropolitan  
16 transit authority established pursuant to section 4 of this act created  
17 pursuant to section 14-1803 may exceed the forty-foot limitation. For  
18 purposes of this subdivision (vi), an articulated bus vehicle shall not  
19 exceed sixty-five feet in length.

20 (b) No combination of vehicles shall exceed a length of sixty-five  
21 feet, extreme overall dimensions, inclusive of front and rear bumpers and  
22 including load, except:

23 (i) One truck and one trailer, loaded or unloaded, used in  
24 transporting implements of husbandry to be engaged in harvesting, while  
25 being transported into or through the state during daylight hours if the  
26 total length does not exceed seventy-five feet including load;

27 (ii) A truck-tractor single semitrailer combination;

28 (iii) A truck-tractor semitrailer trailer combination, but the  
29 semitrailer trailer portion of such combination shall not exceed sixty-  
30 five feet inclusive of connective devices; and

31 (iv) A driveway saddlemount vehicle transporter combination and

1    driveaway saddlemount with fullmount vehicle transporter combination, but  
2    the total overall length shall not exceed ninety-seven feet.

3           (c) A truck shall be construed to be one vehicle for the purpose of  
4    determining length.

5           (d) A trailer shall be construed to be one vehicle for the purpose  
6    of determining length.

7           (2) Subsection (1) of this section shall not apply to:

8           (a) Extra-long vehicles which have been issued a permit pursuant to  
9    section 60-6,292;

10          (b) Vehicles which have been issued a permit pursuant to section  
11    60-6,299;

12          (c) The temporary moving of farm machinery during daylight hours in  
13    the normal course of farm operations;

14          (d) The movement of unbaled livestock forage vehicles, loaded or  
15    unloaded;

16          (e) The movement of public utility or other construction and  
17    maintenance material and equipment at any time;

18          (f) Farm equipment dealers or their representatives as authorized  
19    under section 60-6,382 driving, delivering, or picking up farm equipment  
20    or implements of husbandry within the county in which the dealer  
21    maintains his or her place of business, or in any adjoining county or  
22    counties, and return;

23          (g) The overhang of any motor vehicle being hauled upon any lawful  
24    combination of vehicles, but such overhang shall not exceed the distance  
25    from the rear axle of the hauled motor vehicle to the closest bumper  
26    thereof;

27          (h) The overhang of a combine to be engaged in harvesting, while  
28    being transported into or through the state driven during daylight hours  
29    by a truck-tractor semitrailer combination, but the length of the  
30    semitrailer, including overhang, shall not exceed sixty-three feet and  
31    the maximum semitrailer length shall not exceed fifty-three feet;



1 (i) Any self-propelled specialized mobile equipment with a fixed  
2 load when the requirements of subdivision (2)(i) of section 60-6,288 are  
3 met; or

4 (j) One truck-tractor two trailer combination or one truck-tractor  
5 semitrailer trailer combination used in transporting equipment utilized  
6 by custom harvesters under contract to agricultural producers to harvest  
7 wheat, soybeans, or milo during the months of April through November but  
8 the length of the property-carrying units, excluding load, shall not  
9 exceed eighty-one feet six inches.

10 (3) The length limitations of this section shall be exclusive of  
11 safety and energy conservation devices such as rearview mirrors,  
12 turnsignal lights, marker lights, steps and handholds for entry and  
13 egress, flexible fender extensions, mudflaps and splash and spray  
14 suppressant devices, load-induced tire bulge, refrigeration units or air  
15 compressors, and other devices necessary for safe and efficient operation  
16 of commercial motor vehicles, except that no device excluded from the  
17 limitations of this section shall have by its design or use the  
18 capability to carry cargo.

19 Sec. 41. Section 75-303, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 75-303 Sections 75-301 to 75-322 shall apply to transportation by a  
22 motor carrier or the transportation of passengers and household goods by  
23 a regulated motor carrier for hire in intrastate commerce except for the  
24 following:

25 (1) A motor carrier for hire in the transportation of school  
26 children and teachers to and from school;

27 (2) A motor carrier for hire operated in connection with a part of a  
28 streetcar system;

29 (3) An ambulance, ambulance owner, hearse, or automobile used  
30 exclusively as an incident to conducting a funeral;

31 (4) A motor carrier exempt by subdivision (1) of this section which

1 hauls for hire (a) persons of a religious, fraternal, educational, or  
2 charitable organization, (b) pupils of a school to athletic events, (c)  
3 players of American Legion baseball teams when the point of origin or  
4 termination is within five miles of the domicile of the carrier, and (d)  
5 the elderly as defined in section 13-1203 and their spouses and  
6 dependents under a contract with a municipality or county authorized in  
7 section 13-1208;

8 (5) A motor carrier operated by a city and engaged in the  
9 transportation of passengers, and such exempt operations shall be no  
10 broader than those authorized in intrastate commerce at the time the city  
11 or other political subdivision assumed ownership of the operation;

12 (6) A motor vehicle owned and operated by a nonprofit organization  
13 which is exempt from payment of federal income taxes, as provided by  
14 section 501(c)(4), Internal Revenue Code, transporting solely persons  
15 over age sixty, persons who are spouses and dependents of persons over  
16 age sixty, and handicapped persons;

17 (7) A motor carrier engaged in the transportation of passengers  
18 operated by a transit authority or regional metropolitan transit  
19 authority established ~~created~~ under and acting pursuant to the laws of  
20 the State of Nebraska;

21 (8) A motor carrier operated by a municipality or county, as  
22 authorized in section 13-1208, in the transportation of elderly persons;

23 (9) A motor vehicle having a seating capacity of twenty or less  
24 which is operated by a governmental subdivision or a qualified public-  
25 purpose organization as defined in section 13-1203 engaged in the  
26 transportation of passengers in the state;

27 (10) A motor vehicle owned and operated by a nonprofit entity  
28 organized for the purpose of furnishing electric service;

29 (11) A motor carrier engaged in attended services under contract or  
30 subcontract with the Department of Health and Human Services or with any  
31 agency organized under the Nebraska Community Aging Services Act;

1 (12) A motor carrier engaged in residential care transportation  
2 services if the motor carrier complies with the requirements of the  
3 Department of Health and Human Services adopted, promulgated, and  
4 enforced to protect the safety and well-being of the passengers,  
5 including insurance, training, and age requirements;

6 (13) A motor carrier engaged in supported transportation services if  
7 the motor carrier complies with the requirements of the Department of  
8 Health and Human Services adopted, promulgated, and enforced to protect  
9 the safety and well-being of the passengers, including insurance,  
10 training, and age requirements; and

11 (14) A motor carrier engaged in licensed care transportation  
12 services if the motor carrier files a certificate with the commission  
13 that such provider meets the minimum driver standards, insurance  
14 requirements, and equipment standards prescribed by the commission.  
15 Insurance requirements established by the commission shall be consistent  
16 with the insurance requirements established by the Department of Health  
17 and Human Services for attended services, residential care transportation  
18 services, and supported transportation services.

19 Sec. 42. Section 77-3442, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 77-3442 (1) Property tax levies for the support of local governments  
22 for fiscal years beginning on or after July 1, 1998, shall be limited to  
23 the amounts set forth in this section except as provided in section  
24 77-3444.

25 (2)(a) Except as provided in subdivisions (2)(b) and (2)(e) of this  
26 section, school districts and multiple-district school systems may levy a  
27 maximum levy of one dollar and five cents per one hundred dollars of  
28 taxable valuation of property subject to the levy.

29 (b) For each fiscal year prior to fiscal year 2017-18, learning  
30 communities may levy a maximum levy for the general fund budgets of  
31 member school districts of ninety-five cents per one hundred dollars of

1 taxable valuation of property subject to the levy. The proceeds from the  
2 levy pursuant to this subdivision shall be distributed pursuant to  
3 section 79-1073.

4 (c) Except as provided in subdivision (2)(e) of this section, for  
5 each fiscal year prior to fiscal year 2017-18, school districts that are  
6 members of learning communities may levy for purposes of such districts'  
7 general fund budget and special building funds a maximum combined levy of  
8 the difference of one dollar and five cents on each one hundred dollars  
9 of taxable property subject to the levy minus the learning community levy  
10 pursuant to subdivision (2)(b) of this section for such learning  
11 community.

12 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)  
13 of this section are (i) amounts levied to pay for current and future sums  
14 agreed to be paid by a school district to certificated employees in  
15 exchange for a voluntary termination of employment occurring prior to  
16 September 1, 2017, (ii) amounts levied by a school district otherwise at  
17 the maximum levy pursuant to subdivision (2)(a) of this section to pay  
18 for current and future qualified voluntary termination incentives for  
19 certificated teachers pursuant to subsection (3) of section 79-8,142 that  
20 are not otherwise included in an exclusion pursuant to subdivision (2)(d)  
21 of this section, (iii) amounts levied by a school district otherwise at  
22 the maximum levy pursuant to subdivision (2)(a) of this section to pay  
23 for seventy-five percent of the current and future sums agreed to be paid  
24 to certificated employees in exchange for a voluntary termination of  
25 employment occurring between September 1, 2017, and August 31, 2018, as a  
26 result of a collective-bargaining agreement in force and effect on  
27 September 1, 2017, that are not otherwise included in an exclusion  
28 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a  
29 school district otherwise at the maximum levy pursuant to subdivision (2)  
30 (a) of this section to pay for fifty percent of the current and future  
31 sums agreed to be paid to certificated employees in exchange for a

1 voluntary termination of employment occurring between September 1, 2018,  
2 and August 31, 2019, as a result of a collective-bargaining agreement in  
3 force and effect on September 1, 2017, that are not otherwise included in  
4 an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts  
5 levied by a school district otherwise at the maximum levy pursuant to  
6 subdivision (2)(a) of this section to pay for twenty-five percent of the  
7 current and future sums agreed to be paid to certificated employees in  
8 exchange for a voluntary termination of employment occurring between  
9 September 1, 2019, and August 31, 2020, as a result of a collective-  
10 bargaining agreement in force and effect on September 1, 2017, that are  
11 not otherwise included in an exclusion pursuant to subdivision (2)(d) of  
12 this section, (vi) amounts levied in compliance with sections 79-10,110  
13 and 79-10,110.02, and (vii) amounts levied to pay for special building  
14 funds and sinking funds established for projects commenced prior to April  
15 1, 1996, for construction, expansion, or alteration of school district  
16 buildings. For purposes of this subsection, commenced means any action  
17 taken by the school board on the record which commits the board to expend  
18 district funds in planning, constructing, or carrying out the project.

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

27 (f) For each fiscal year, learning communities may levy a maximum  
28 levy of one-half cent on each one hundred dollars of taxable property  
29 subject to the levy for elementary learning center facility leases, for  
30 remodeling of leased elementary learning center facilities, and for up to  
31 fifty percent of the estimated cost for focus school or program capital

1 projects approved by the learning community coordinating council pursuant  
2 to section 79-2111.

3 (g) For each fiscal year, learning communities may levy a maximum  
4 levy of one and one-half cents on each one hundred dollars of taxable  
5 property subject to the levy for early childhood education programs for  
6 children in poverty, for elementary learning center employees, for  
7 contracts with other entities or individuals who are not employees of the  
8 learning community for elementary learning center programs and services,  
9 and for pilot projects, except that no more than ten percent of such levy  
10 may be used for elementary learning center employees.

11 (3) For each fiscal year, community college areas may levy the  
12 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in  
13 accordance with the provisions of such subdivisions. A community college  
14 area may exceed the levy provided in subdivision (2)(b) of section  
15 85-1517 by the amount necessary to retire general obligation bonds  
16 assumed by the community college area or issued pursuant to section  
17 85-1515 according to the terms of such bonds or for any obligation  
18 pursuant to section 85-1535 entered into prior to January 1, 1997.

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

22 (b) Natural resources districts shall also have the power and  
23 authority to levy a tax equal to the dollar amount by which their  
24 restricted funds budgeted to administer and implement ground water  
25 management activities and integrated management activities under the  
26 Nebraska Ground Water Management and Protection Act exceed their  
27 restricted funds budgeted to administer and implement ground water  
28 management activities and integrated management activities for FY2003-04,  
29 not to exceed one cent on each one hundred dollars of taxable valuation  
30 annually on all of the taxable property within the district.

31 (c) In addition, natural resources districts located in a river

1 basin, subbasin, or reach that has been determined to be fully  
2 appropriated pursuant to section 46-714 or designated as overappropriated  
3 pursuant to section 46-713 by the Department of Natural Resources shall  
4 also have the power and authority to levy a tax equal to the dollar  
5 amount by which their restricted funds budgeted to administer and  
6 implement ground water management activities and integrated management  
7 activities under the Nebraska Ground Water Management and Protection Act  
8 exceed their restricted funds budgeted to administer and implement ground  
9 water management activities and integrated management activities for  
10 FY2005-06, not to exceed three cents on each one hundred dollars of  
11 taxable valuation on all of the taxable property within the district for  
12 fiscal year 2006-07 and each fiscal year thereafter through fiscal year  
13 2017-18.

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

18 (6)(a) Incorporated cities and villages which are not within the  
19 boundaries of a municipal county may levy a maximum levy of forty-five  
20 cents per one hundred dollars of taxable valuation of property subject to  
21 the levy plus an additional five cents per one hundred dollars of taxable  
22 valuation to provide financing for the municipality's share of revenue  
23 required under an agreement or agreements executed pursuant to the  
24 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum  
25 levy shall include amounts levied to pay for sums to support a library  
26 pursuant to section 51-201, museum pursuant to section 51-501, visiting  
27 community nurse, home health nurse, or home health agency pursuant to  
28 section 71-1637, or statue, memorial, or monument pursuant to section  
29 80-202.

30 (b) Incorporated cities and villages which are within the boundaries  
31 of a municipal county may levy a maximum levy of ninety cents per one

1 hundred dollars of taxable valuation of property subject to the levy. The  
2 maximum levy shall include amounts paid to a municipal county for county  
3 services, amounts levied to pay for sums to support a library pursuant to  
4 section 51-201, a museum pursuant to section 51-501, a visiting community  
5 nurse, home health nurse, or home health agency pursuant to section  
6 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

7 (7) Sanitary and improvement districts which have been in existence  
8 for more than five years may levy a maximum levy of forty cents per one  
9 hundred dollars of taxable valuation of property subject to the levy, and  
10 sanitary and improvement districts which have been in existence for five  
11 years or less shall not have a maximum levy. Unconsolidated sanitary and  
12 improvement districts which have been in existence for more than five  
13 years and are located in a municipal county may levy a maximum of eighty-  
14 five cents per hundred dollars of taxable valuation of property subject  
15 to the levy.

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



1 of section 77-3443 some or all of the county's five cents per one hundred  
2 dollars of valuation authorized for support of an agreement or agreements  
3 to be levied by the political subdivision for the purpose of supporting  
4 that political subdivision's share of revenue required under an agreement  
5 or agreements executed pursuant to the Interlocal Cooperation Act or the  
6 Joint Public Agency Act. If an allocation by a county would cause another  
7 county to exceed its levy authority under this section, the second county  
8 may exceed the levy authority in order to levy the amount allocated.

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

14 (10) Beginning July 1, 2016, rural and suburban fire protection  
15 districts may levy a maximum levy of ten and one-half cents per one  
16 hundred dollars of taxable valuation of property subject to the levy if  
17 (a) such district is located in a county that had a levy pursuant to  
18 subsection (8) of this section in the previous year of at least forty  
19 cents per one hundred dollars of taxable valuation of property subject to  
20 the levy or (b) for any rural or suburban fire protection district that  
21 had a levy request pursuant to section 77-3443 in the previous year, the  
22 county board of the county in which the greatest portion of the valuation  
23 of such district is located did not authorize any levy authority to such  
24 district in the previous year.

25 (11) A regional metropolitan transit authority may levy a maximum  
26 levy of ten cents per one hundred dollars of taxable valuation of  
27 property subject to the levy for each fiscal year that commences on the  
28 January 1 that follows the effective date of the conversion of the  
29 transit authority established under the Transit Authority Law into the  
30 regional metropolitan transit authority.

31 (12) ~~(11)~~ Property tax levies (a) for judgments, except judgments or

1 orders from the Commission of Industrial Relations, obtained against a  
2 political subdivision which require or obligate a political subdivision  
3 to pay such judgment, to the extent such judgment is not paid by  
4 liability insurance coverage of a political subdivision, (b) for  
5 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)  
6 for bonds as defined in section 10-134 approved according to law and  
7 secured by a levy on property except as provided in section 44-4317 for  
8 bonded indebtedness issued by educational service units and school  
9 districts, and (d) for payments by a public airport to retire interest-  
10 free loans from the Division of Aeronautics of the Department of  
11 Transportation in lieu of bonded indebtedness at a lower cost to the  
12 public airport are not included in the levy limits established by this  
13 section.

14 (13) ~~(12)~~ The limitations on tax levies provided in this section are  
15 to include all other general or special levies provided by law.  
16 Notwithstanding other provisions of law, the only exceptions to the  
17 limits in this section are those provided by or authorized by sections  
18 77-3442 to 77-3444.

19 (14) ~~(13)~~ Tax levies in excess of the limitations in this section  
20 shall be considered unauthorized levies under section 77-1606 unless  
21 approved under section 77-3444.

22 (15) ~~(14)~~ For purposes of sections 77-3442 to 77-3444, political  
23 subdivision means a political subdivision of this state and a county  
24 agricultural society.

25 (16) ~~(15)~~ For school districts that file a binding resolution on or  
26 before May 9, 2008, with the county assessors, county clerks, and county  
27 treasurers for all counties in which the school district has territory  
28 pursuant to subsection (7) of section 79-458, if the combined levies,  
29 except levies for bonded indebtedness approved by the voters of the  
30 school district and levies for the refinancing of such bonded  
31 indebtedness, are in excess of the greater of (a) one dollar and twenty

1 cents per one hundred dollars of taxable valuation of property subject to  
2 the levy or (b) the maximum levy authorized by a vote pursuant to section  
3 77-3444, all school district levies, except levies for bonded  
4 indebtedness approved by the voters of the school district and levies for  
5 the refinancing of such bonded indebtedness, shall be considered  
6 unauthorized levies under section 77-1606.

7 Sec. 43. Section 77-3443, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 77-3443 (1) All political subdivisions, other than (a) school  
10 districts, community colleges, natural resources districts, educational  
11 service units, cities, villages, counties, municipal counties, rural and  
12 suburban fire protection districts that have levy authority pursuant to  
13 subsection (10) of section 77-3442, and sanitary and improvement  
14 districts and (b) political subdivisions subject to municipal allocation  
15 under subsection (2) of this section, may levy taxes as authorized by law  
16 which are authorized by the county board of the county or the council of  
17 a municipal county in which the greatest portion of the valuation is  
18 located, which are counted in the county or municipal county levy limit  
19 provided in section 77-3442, and which do not collectively total more  
20 than fifteen cents per one hundred dollars of taxable valuation on any  
21 parcel or item of taxable property for all governments for which  
22 allocations are made by the municipality, county, or municipal county,  
23 except that such limitation shall not apply to property tax levies for  
24 preexisting lease-purchase contracts approved prior to July 1, 1998, for  
25 bonded indebtedness approved according to law and secured by a levy on  
26 property, and for payments by a public airport to retire interest-free  
27 loans from the Division of Aeronautics of the Department of  
28 Transportation in lieu of bonded indebtedness at a lower cost to the  
29 public airport. The county board or council shall review and approve or  
30 disapprove the levy request of all political subdivisions subject to this  
31 subsection. The county board or council may approve all or a portion of

1 the levy request and may approve a levy request that would allow the  
2 requesting political subdivision to levy a tax at a levy greater than  
3 that permitted by law. Unless a transit authority elects to convert to a  
4 regional metropolitan transit authority in accordance with the Regional  
5 Metropolitan Transit Authority Act, and for each fiscal year of such a  
6 transit authority until the first fiscal year commencing after the  
7 effective date of such conversion, ~~The~~ county board of a county or  
8 the council of a municipal county which contains a transit authority  
9 established ~~created~~ pursuant to the Transit Authority Law ~~section 14-1803~~  
10 shall allocate no less than three cents per one hundred dollars of  
11 taxable property within the city or municipal county subject to the levy  
12 to the transit authority if requested by such authority. For any  
13 political subdivision subject to this subsection that receives taxes from  
14 more than one county or municipal county, the levy shall be allocated  
15 only by the county or municipal county in which the greatest portion of  
16 the valuation is located. The county board of equalization shall certify  
17 all levies by October 15 to insure that the taxes levied by political  
18 subdivisions subject to this subsection do not exceed the allowable limit  
19 for any parcel or item of taxable property. The levy allocated by the  
20 county or municipal county may be exceeded as provided in section  
21 77-3444.

22 (2) All city airport authorities established under the Cities  
23 Airport Authorities Act, community redevelopment authorities established  
24 under the Community Development Law, transit authorities established  
25 under the Transit Authority Law unless and until the first fiscal year  
26 commencing after the effective date of any conversion by such a transit  
27 authority into a regional metropolitan transit authority pursuant to the  
28 Regional Metropolitan Transit Authority Act, and offstreet parking  
29 districts established under the Offstreet Parking District Act may be  
30 allocated property taxes as authorized by law which are authorized by the  
31 city, village, or municipal county and are counted in the city or village

1 levy limit or municipal county levy limit provided by section 77-3442,  
2 except that such limitation shall not apply to property tax levies for  
3 preexisting lease-purchase contracts approved prior to July 1, 1998, for  
4 bonded indebtedness approved according to law and secured by a levy on  
5 property, and for payments by a public airport to retire interest-free  
6 loans from the Division of Aeronautics of the Department of  
7 Transportation in lieu of bonded indebtedness at a lower cost to the  
8 public airport. For offstreet parking districts established under the  
9 Offstreet Parking District Act, the tax shall be counted in the  
10 allocation by the city proportionately, by dividing the total taxable  
11 valuation of the taxable property within the district by the total  
12 taxable valuation of the taxable property within the city multiplied by  
13 the levy of the district. Unless a transit authority elects to convert  
14 into a regional metropolitan transit authority pursuant to the Regional  
15 Metropolitan Transit Authority Act, and for each fiscal year of such a  
16 transit authority until the first fiscal year commencing after the  
17 effective date of such conversion, the The city council of a city which  
18 has established ~~created~~ a transit authority pursuant to the Transit  
19 Authority Law section 14-1803 or the council of a municipal county which  
20 contains a transit authority shall allocate no less than three cents per  
21 one hundred dollars of taxable property subject to the levy to the  
22 transit authority if requested by such authority. The city council,  
23 village board, or council shall review and approve or disapprove the levy  
24 request of the political subdivisions subject to this subsection. The  
25 city council, village board, or council may approve all or a portion of  
26 the levy request and may approve a levy request that would allow a levy  
27 greater than that permitted by law. The levy allocated by the  
28 municipality or municipal county may be exceeded as provided in section  
29 77-3444.

30 (3) On or before August 1, all political subdivisions subject to  
31 county, municipal, or municipal county levy authority under this section

1 shall submit a preliminary request for levy allocation to the county  
2 board, city council, village board, or council that is responsible for  
3 levying such taxes. The preliminary request of the political subdivision  
4 shall be in the form of a resolution adopted by a majority vote of  
5 members present of the political subdivision's governing body. The  
6 failure of a political subdivision to make a preliminary request shall  
7 preclude such political subdivision from using procedures set forth in  
8 section 77-3444 to exceed the final levy allocation as determined in  
9 subsection (4) of this section.

10 (4) Each county board, city council, village board, or council shall  
11 (a) adopt a resolution by a majority vote of members present which  
12 determines a final allocation of levy authority to its political  
13 subdivisions and (b) forward a copy of such resolution to the chairperson  
14 of the governing body of each of its political subdivisions. No final  
15 levy allocation shall be changed after September 1 except by agreement  
16 between both the county board, city council, village board, or council  
17 which determined the amount of the final levy allocation and the  
18 governing body of the political subdivision whose final levy allocation  
19 is at issue.

20 Sec. 44. Section 84-304, Revised Statutes Cumulative Supplement,  
21 2018, is amended to read:

22 84-304 It shall be the duty of the Auditor of Public Accounts:

23 (1) To give information electronically to the Legislature, whenever  
24 required, upon any subject relating to the fiscal affairs of the state or  
25 with regard to any duty of his or her office;

26 (2) To furnish offices for himself or herself and all fuel, lights,  
27 books, blanks, forms, paper, and stationery required for the proper  
28 discharge of the duties of his or her office;

29 (3)(a) To examine or cause to be examined, at such time as he or she  
30 shall determine, books, accounts, vouchers, records, and expenditures of  
31 all state officers, state bureaus, state boards, state commissioners, the

1 state library, societies and associations supported by the state, state  
2 institutions, state colleges, and the University of Nebraska, except when  
3 required to be performed by other officers or persons. Such examinations  
4 shall be done in accordance with generally accepted government auditing  
5 standards for financial audits and attestation engagements set forth in  
6 Government Auditing Standards (2011 Revision), published by the  
7 Comptroller General of the United States, Government Accountability  
8 Office, and except as provided in subdivision (10) of this section,  
9 subdivision (16) of section 50-1205, and section 84-322, shall not  
10 include performance audits, whether conducted pursuant to attestation  
11 engagements or performance audit standards as set forth in Government  
12 Auditing Standards (2011 Revision), published by the Comptroller General  
13 of the United States, Government Accountability Office.

14 (b) Any entity, excluding the state colleges and the University of  
15 Nebraska, that is audited or examined pursuant to subdivision (3)(a) of  
16 this section and that is the subject of a comment and recommendation in a  
17 management letter or report issued by the Auditor of Public Accounts  
18 shall, on or before six months after the issuance of such letter or  
19 report, provide to the Auditor of Public Accounts a detailed written  
20 description of any corrective action taken or to be taken in response to  
21 the comment and recommendation. The Auditor of Public Accounts may  
22 investigate and evaluate the corrective action. The Auditor of Public  
23 Accounts shall then electronically submit a report of any findings of  
24 such investigation and evaluation to the Governor, the appropriate  
25 standing committee of the Legislature, and the Appropriations Committee  
26 of the Legislature. The Auditor of Public Accounts shall also ensure that  
27 the report is delivered to the Appropriations Committee for entry into  
28 the record during the committee's budget hearing process;

29 (4)(a) To examine or cause to be examined, at the expense of the  
30 political subdivision, when the Auditor of Public Accounts determines  
31 such examination necessary or when requested by the political

1 subdivision, the books, accounts, vouchers, records, and expenditures of  
2 any agricultural association formed under Chapter 2, article 20, any  
3 county agricultural society, any joint airport authority formed under the  
4 Joint Airport Authorities Act, any city or county airport authority, any  
5 bridge commission created pursuant to section 39-868, any cemetery  
6 district, any community redevelopment authority or limited community  
7 redevelopment authority established under the Community Development Law,  
8 any development district, any drainage district, any health district, any  
9 local public health department as defined in section 71-1626, any  
10 historical society, any hospital authority or district, any county  
11 hospital, any housing agency as defined in section 71-1575, any  
12 irrigation district, any county or municipal library, any community  
13 mental health center, any railroad transportation safety district, any  
14 rural water district, any township, Wyuka Cemetery, the Educational  
15 Service Unit Coordinating Council, any entity created pursuant to the  
16 Interlocal Cooperation Act, any educational service unit, any village,  
17 any service contractor or subrecipient of state or federal funds, any  
18 political subdivision with the authority to levy a property tax or a  
19 toll, or any entity created pursuant to the Joint Public Agency Act.

20 For purposes of this subdivision, service contractor or subrecipient  
21 means any nonprofit entity that expends state or federal funds to carry  
22 out a state or federal program or function, but it does not include an  
23 individual who is a direct beneficiary of such a program or function or a  
24 licensed health care provider or facility receiving direct payment for  
25 medical services provided for a specific individual.

26 (b) The Auditor of Public Accounts may waive the audit requirement  
27 of subdivision (4)(a) of this section upon the submission by the  
28 political subdivision of a written request in a form prescribed by the  
29 auditor. The auditor shall notify the political subdivision in writing of  
30 the approval or denial of the request for a waiver.

31 (c) Through December 31, 2017, the Auditor of Public Accounts may



1 conduct audits under this subdivision for purposes of sections 2-3228,  
2 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037,  
3 19-3501, 23-1118, 23-3526, 71-1631.02, and 79-987.

4 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may  
5 conduct audits under this subdivision for purposes of sections 13-2402,  
6 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 71-1631.02, and  
7 79-987 and section 14 of this act and shall prescribe the form for the  
8 annual reports required in each of such sections. Such annual reports  
9 shall be published annually on the web site of the Auditor of Public  
10 Accounts;

11 (5) To report promptly to the Governor and the appropriate standing  
12 committee of the Legislature the fiscal condition shown by such  
13 examinations conducted by the auditor, including any irregularities or  
14 misconduct of officers or employees, any misappropriation or misuse of  
15 public funds or property, and any improper system or method of  
16 bookkeeping or condition of accounts. The report submitted to the  
17 committee shall be submitted electronically. In addition, if, in the  
18 normal course of conducting an audit in accordance with subdivision (3)  
19 of this section, the auditor discovers any potential problems related to  
20 the effectiveness, efficiency, or performance of state programs, he or  
21 she shall immediately report them electronically to the Legislative  
22 Performance Audit Committee which may investigate the issue further,  
23 report it electronically to the appropriate standing committee of the  
24 Legislature, or both;

25 (6)(a) To examine or cause to be examined the books, accounts,  
26 vouchers, records, and expenditures of a fire protection district. The  
27 expense of the examination shall be paid by the political subdivision.

28 (b) Whenever the expenditures of a fire protection district are one  
29 hundred fifty thousand dollars or less per fiscal year, the fire  
30 protection district shall be audited no more than once every five years  
31 except as directed by the board of directors of the fire protection

1 district or unless the auditor receives a verifiable report from a third  
2 party indicating any irregularities or misconduct of officers or  
3 employees of the fire protection district, any misappropriation or misuse  
4 of public funds or property, or any improper system or method of  
5 bookkeeping or condition of accounts of the fire protection district. In  
6 the absence of such a report, the auditor may waive the five-year audit  
7 requirement upon the submission of a written request by the fire  
8 protection district in a form prescribed by the auditor. The auditor  
9 shall notify the fire protection district in writing of the approval or  
10 denial of a request for waiver of the five-year audit requirement. Upon  
11 approval of the request for waiver of the five-year audit requirement, a  
12 new five-year audit period shall begin.

13 (c) Whenever the expenditures of a fire protection district exceed  
14 one hundred fifty thousand dollars in a fiscal year, the auditor may  
15 waive the audit requirement upon the submission of a written request by  
16 the fire protection district in a form prescribed by the auditor. The  
17 auditor shall notify the fire protection district in writing of the  
18 approval or denial of a request for waiver. Upon approval of the request  
19 for waiver, a new five-year audit period shall begin for the fire  
20 protection district if its expenditures are one hundred fifty thousand  
21 dollars or less per fiscal year in subsequent years;

22 (7) To appoint two or more assistant deputies (a) whose entire time  
23 shall be devoted to the service of the state as directed by the auditor,  
24 (b) who shall be certified public accountants with at least five years'  
25 experience, (c) who shall be selected without regard to party affiliation  
26 or to place of residence at the time of appointment, (d) who shall  
27 promptly report to the auditor the fiscal condition shown by each  
28 examination, including any irregularities or misconduct of officers or  
29 employees, any misappropriation or misuse of public funds or property,  
30 and any improper system or method of bookkeeping or condition of  
31 accounts, and it shall be the duty of the auditor to file promptly with

1 the Governor a duplicate of such report, and (e) who shall qualify by  
2 taking an oath which shall be filed in the office of the Secretary of  
3 State;

4 (8) To conduct audits and related activities for state agencies,  
5 political subdivisions of this state, or grantees of federal funds  
6 disbursed by a receiving agency on a contractual or other basis for  
7 reimbursement to assure proper accounting by all such agencies, political  
8 subdivisions, and grantees for funds appropriated by the Legislature and  
9 federal funds disbursed by any receiving agency. The auditor may contract  
10 with any political subdivision to perform the audit of such political  
11 subdivision required by or provided for in section 23-1608 or 79-1229 or  
12 this section and charge the political subdivision for conducting the  
13 audit. The fees charged by the auditor for conducting audits on a  
14 contractual basis shall be in an amount sufficient to pay the cost of the  
15 audit. The fees remitted to the auditor for such audits and services  
16 shall be deposited in the Auditor of Public Accounts Cash Fund;

17 (9) To develop and maintain an annual budget and actual financial  
18 information reporting system for political subdivisions that is  
19 accessible online by the public;

20 (10) When authorized, to conduct joint audits with the Legislative  
21 Performance Audit Committee as described in section 50-1205; and

22 (11) Unless otherwise specifically provided, to assess the interest  
23 rate on delinquent payments of any fees for audits and services owing to  
24 the Auditor of Public Accounts at a rate of fourteen percent per annum  
25 from the date of billing unless paid within thirty days after the date of  
26 billing. For an entity created pursuant to the Interlocal Cooperation Act  
27 or the Joint Public Agency Act, any participating public agencies shall  
28 be jointly and severally liable for the fees and interest owed if such  
29 entity is defunct or unable to pay.

30 Sec. 45. Section 84-304.02, Revised Statutes Cumulative Supplement,  
31 2018, is amended to read:

1           84-304.02 The Auditor of Public Accounts, or a person designated by  
2 him or her, may prepare a written review of all audit, accounting, or  
3 financial reports required to be filed by a political subdivision of the  
4 state with the Auditor of Public Accounts and of public retirement system  
5 plan reports required to be submitted to the Auditor of Public Accounts  
6 pursuant to sections 2-3228, 12-101, 14-567, 14-1805.01, 14-2111,  
7 15-1017, 16-1017, 16-1037, 19-3501, 23-1118, 23-3526, 71-1631.02, 79-987,  
8 and 84-304 and section 14 of this act and cause one copy of such written  
9 review to be mailed to the political subdivision involved and one copy to  
10 the accountant who prepared the report. Such written review shall  
11 specifically set forth wherein the audit, accounting, financial, or  
12 retirement system plan report fails to comply with the applicable minimum  
13 standards and the necessary action to be taken to bring the report into  
14 compliance with such standards. The Auditor of Public Accounts may, upon  
15 continued failure to comply with such standards, refuse to accept for  
16 filing an audit, accounting, financial, or retirement system plan report  
17 or any future report submitted for filing by any political subdivision.

18           Sec. 46. The Revisor of Statutes shall assign sections 1 to 25 of  
19 this act to a new article in Chapter 19.

20           Sec. 47. Original sections 13-1213, 13-2202, 13-2401, 14-1803,  
21 14-1812, 32-567, 32-604, 32-1203, 75-303, 77-3442, and 77-3443, Reissue  
22 Revised Statutes of Nebraska, and sections 13-503, 13-519, 13-1205,  
23 13-1209, 32-101, 60-6,290, 84-304, and 84-304.02, Revised Statutes  
24 Cumulative Supplement, 2018, are repealed.