

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 492

Introduced by Wayne, 13.

Read first time January 22, 2019

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to municipalities; to amend sections 13-1213,
2 13-2202, 13-2401, 14-1803, 14-1812, 32-567, 32-604, 32-1203, 75-303,
3 77-3442, and 77-3443, Reissue Revised Statutes of Nebraska, and
4 sections 13-503, 13-519, 13-1205, 13-1209, 32-101, 60-6,290, 84-304,
5 and 84-304.02, Revised Statutes Cumulative Supplement, 2018; to
6 adopt the Regional Metropolitan Transit Authority Act; to change a
7 provision relating to creation of a metropolitan transit authority;
8 to provide a maximum property tax levy for a regional metropolitan
9 transit authority; to harmonize provisions; to provide a duty for
10 the Revisor of Statutes; and to repeal the original sections.
11 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 27 of this act shall be known and may be
2 cited as the Regional Metropolitan Transit Authority Act.

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

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

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

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

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

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

25 (6) Relieving congestion in the streets of such municipalities and
26 providing for the establishment of comprehensive regional public transit
27 systems in such municipalities is a matter of public interest and
28 statewide concern.

29 Sec. 3. For purposes of the Regional Metropolitan Transit Authority
30 Act:

31 (1) Board means the board of directors of any regional metropolitan

1 transit authority created under the Regional Metropolitan Transit
2 Authority Act;

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

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

10 (4) Municipality means any city or village in the State of Nebraska;
11 and

12 (5) Revenue bonds means revenue bonds of any regional metropolitan
13 transit authority established under the Regional Metropolitan Transit
14 Authority Act.

15 Sec. 4. (1) Except as provided in subsection (4) of this section, a
16 municipality located within a metropolitan statistical area may create by
17 ordinance a regional metropolitan transit authority which shall have full
18 and exclusive jurisdiction and control over all facilities owned or
19 acquired by such municipality for a public transit system. An ordinance
20 adopted under this subsection shall require a two-thirds vote of the
21 governing body of such municipality.

22 (2) Two or more municipalities located within the same metropolitan
23 statistical area may elect to enter into an agreement pursuant to the
24 Interlocal Cooperation Act to create a regional metropolitan transit
25 authority which shall have full and exclusive jurisdiction and control
26 over all facilities owned or acquired by such municipalities for a public
27 transit system. An agreement entered into under this subsection shall
28 require a two-thirds vote of the governing body of each municipality.

29 (3)(a) A municipality located within a metropolitan statistical area
30 in which a regional metropolitan transit authority has already been
31 created may elect to:

1 (i) Enter into an agreement pursuant to the Interlocal Cooperation
2 Act with a municipality that has created a regional metropolitan transit
3 authority pursuant to subsection (1) of this section to join such
4 authority; or

5 (ii) Join an existing agreement pursuant to the Interlocal
6 Cooperation Act with the municipalities that form a regional metropolitan
7 transit authority pursuant to subsection (2) of this section to join such
8 authority.

9 (b) Entering into or joining an agreement under this subsection
10 shall require a two-thirds vote of the governing body of each
11 municipality participating in the agreement.

12 (4) No more than one regional metropolitan transit authority shall
13 be created within a single metropolitan statistical area. If a
14 metropolitan statistical area contains a city of the metropolitan class,
15 a regional metropolitan transit authority may not be created under this
16 section.

17 Sec. 5. (1) An existing transit authority created under the Transit
18 Authority Law which serves one or more municipalities located within the
19 same metropolitan statistical area may elect to convert into a regional
20 metropolitan transit authority upon a two-thirds vote of the board of
21 directors of such existing transit authority. As of the effective date of
22 such conversion, to be specified at the time of such election, such
23 existing transit authority shall remain a body corporate and politic and
24 a governmental subdivision of the State of Nebraska, but thereafter shall
25 be known as the Regional Metropolitan Transit Authority of
26 (filling out the blank with the name of the municipality that established
27 the existing transit authority under the Transit Authority Law or of the
28 municipality, municipalities, region, or metropolitan statistical area
29 comprising the regional metropolitan transit authority). In addition to
30 the powers and authority granted under the Transit Authority Law, such
31 regional metropolitan transit authority shall have and possess all of the

1 powers and authority of, together with the duties and responsibilities
2 of, a regional metropolitan transit authority as if formed and organized
3 pursuant to the Regional Metropolitan Transit Authority Act. The
4 operating jurisdiction of such regional metropolitan transit authority
5 shall be deemed to extend to all areas within the boundaries of the
6 municipality that established the transit authority under the Transit
7 Authority Law, as may thereafter be expanded.

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

19 Sec. 6. (1) Nothing in the Regional Metropolitan Transit Authority
20 Act shall be construed to prohibit any municipality from contracting
21 directly for passenger transportation services with a transit authority
22 established under the Transit Authority Law or with any regional
23 metropolitan transit authority, other than a municipality that is part of
24 a regional metropolitan transit authority created pursuant to section 4
25 of this act or a municipality in which the operating jurisdiction of a
26 regional metropolitan transit authority has been extended pursuant to
27 section 5 of this act.

28 (2) Nothing in the Regional Metropolitan Transit Authority Act shall
29 be construed to prohibit any regional metropolitan transit authority from
30 contracting with another regional metropolitan transit authority for
31 passenger transportation services.

1 Sec. 7. For the purposes of calculating allowable growth under the
2 Nebraska Budget Act, the following shall be treated as an annexation of
3 territory by a regional metropolitan transit authority:

4 (1) If one or more municipalities that have created a regional
5 metropolitan transit authority under section 4 of this act annexes
6 additional territory after the creation of such an authority; or

7 (2) If a municipality joins an existing regional metropolitan
8 transit authority under subsection (3) of section 4 of this act.

9 (3) In the case of a regional metropolitan transit authority that
10 results from the conversion of a transit authority established under the
11 Transit Authority Law pursuant to section 5 of this act:

12 (a) If the municipality that established the transit authority
13 annexes additional territory after such conversion; or

14 (b) If any other municipality which joined such regional
15 metropolitan transit authority pursuant to subsection (2) of section 5 of
16 this act annexes additional territory after joining such regional
17 metropolitan transit authority.

18 Sec. 8. A regional metropolitan transit authority created under
19 section 4 of this act shall be a body corporate and politic, shall be
20 known as the Regional Metropolitan Transit Authority
21 of (filling out the blank with the name or names of
22 the municipality, municipalities, region, or metropolitan statistical
23 area that form the authority), and shall be a governmental subdivision of
24 the State of Nebraska with the powers and authority provided by the
25 Regional Metropolitan Transit Authority Act. Any such authority is
26 declared to be an instrumentality of the state exercising public and
27 essential governmental functions in the exercise of the powers conferred
28 upon it by the Regional Metropolitan Transit Authority Act.

29 Sec. 9. (1) The governing body of a regional metropolitan transit
30 authority shall be a board to be known as the Regional Metropolitan
31 Transit Board of (filling out the blank with the name

1 or names of the municipality, municipalities, region, or metropolitan
2 statistical area that form the authority).

3 (2) Upon the creation of a regional metropolitan transit authority
4 under section 4 of this act, the mayors of the cities or chairpersons of
5 the village boards of trustees of the municipalities that created the
6 authority, with the approval of the governing bodies of such
7 municipalities, shall appoint a seven-member temporary board to govern
8 the authority until a board is elected pursuant to section 10 of this
9 act. Members of the temporary board shall be residents of one of the
10 municipalities that created the authority.

11 (3) Upon the creation of a regional metropolitan transit authority
12 under section 5 of this act, the board of the existing transit authority
13 shall serve as the temporary board to govern the regional metropolitan
14 transit authority until a board is elected pursuant to section 9 of this
15 act.

16 (4) Any vacancy on the temporary board of a regional metropolitan
17 transit authority shall be filled by appointment by the mayors of the
18 cities or chairpersons of the village boards of trustees of the
19 municipalities where the authority is operating, with the approval of the
20 governing bodies of such municipalities, to serve the unexpired portion
21 of the temporary board member's term.

22 Sec. 10. (1) Following the creation of a regional metropolitan
23 transit authority under section 4 or 5 of this act, the election
24 commissioner or county clerk of the county or counties in which the
25 majority of the territory of the authority is located shall divide the
26 territory of the authority into seven numbered districts for the purpose
27 of electing members to the board in compliance with section 32-553. Such
28 districts shall be compact and contiguous and substantially equal in
29 population. The newly established districts shall be certified to the
30 Secretary of State following such creation. The newly established
31 districts shall apply beginning with the nomination and election of board

1 members at the next statewide primary. Following the drawing of initial
2 districts pursuant to this section, additional redistricting shall be
3 undertaken by the board according to section 32-553. One member shall be
4 elected from each district as provided in section 38 of this act.

5 (2) Upon the joining of a municipality or municipalities to an
6 existing regional metropolitan transit authority by agreement pursuant to
7 subsection (3) of section 4 of this act, the board shall redraw the
8 boundaries of the districts to ensure that such districts remain compact
9 and contiguous and substantially equal in population. The newly
10 established districts shall be certified to the Secretary of State within
11 six months following the joining of such municipality or municipalities
12 and shall apply beginning with the nomination and election of board
13 members at the next statewide primary.

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

19 Sec. 11. (1) Each member of the board, before entering upon the
20 duties of office, shall file with the city clerk or village clerk of the
21 municipality in which he or she resides an oath that he or she will duly
22 and faithfully perform all the duties of the office to the best of his or
23 her ability and a bond in the penal sum of five thousand dollars executed
24 by one or more qualified sureties for the faithful performance of his or
25 her duties. If any member fails to file such oath and bond on or before
26 the first day of the term for which he or she was appointed or elected,
27 his or her office shall be deemed to be vacant.

28 (2) A member of the board may be removed from office for
29 incompetence, neglect of duty, or malfeasance in office. An action for
30 the removal of such board member may be brought, upon resolution of any
31 governing body of a municipality which forms the authority, in the

1 district court of the county in which such municipality is located.

2 Sec. 12. (1) Not later than seven days after the qualification of
3 the members, the board shall organize for the transaction of business,
4 shall select a chairperson and vice-chairperson from among its members,
5 and shall adopt bylaws, rules, and regulations to govern its proceedings.
6 The chairperson and vice-chairperson and their successors shall be
7 elected annually by the board and shall serve for a term of one year. Any
8 vacancy in the offices of chairperson and vice-chairperson shall be
9 filled by election by the board.

10 (2) A quorum for the transaction of business shall consist of four
11 members of the board, unless such board is a temporary board under
12 subsection (3) of section 9 of this act, in which case a quorum shall
13 consist of three members of the board.

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

16 (4) All actions of the board shall be by resolution, except as may
17 otherwise be provided in the Regional Metropolitan Transit Authority Act,
18 and the affirmative vote of a majority of board members shall be
19 necessary for the adoption of any resolution.

20 (5) The board shall keep accurate minutes of all its proceedings.
21 All resolutions and all proceedings of a regional metropolitan transit
22 authority and all official documents and records of such authority shall
23 be public records and open to public inspection, except such documents
24 and records prepared and kept for use in negotiations, actions, or
25 proceedings to which an authority is a party.

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

31 Sec. 14. For purposes of the Regional Metropolitan Transit

1 Authority Act, a regional metropolitan transit authority shall possess
2 all of the necessary powers of a public body corporate and politic and
3 governmental subdivision of the State of Nebraska, including, but not
4 limited to:

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

7 (2) To adopt an official seal;

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

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

13 (5) To acquire, lease, own, maintain, and operate for public service
14 a public transit system, excluding taxicabs, transportation network
15 companies, and interstate railroad systems, within the municipality or
16 municipalities which form the authority;

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

23 (7) To acquire, lease, and hold such real or personal property
24 wherever located and any rights, interests, or easements therein as may
25 be necessary or convenient for the purpose of the authority, including,
26 without limitation, the acquisition, leasing, and holding of any real
27 property along a planned future public transit route, and to sell,
28 assign, and convey such property;

29 (8) To make and enter into any and all contracts and agreements with
30 any individual, public or private corporation or agency of the State of
31 Nebraska, public or private corporation or agency of any state of the

1 United States adjacent to any municipality or municipalities which form
2 the authority in which such authority has operating jurisdiction pursuant
3 to section 5 of this act or in which such authority may otherwise be
4 operating or providing service, and the United States Government as may
5 be necessary or incidental to the performance of its duties and the
6 execution of its powers under the Regional Metropolitan Transit Authority
7 Act and to enter into agreements authorized under the Interlocal
8 Cooperation Act or the Joint Public Agency Act;

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

12 (10) To borrow money and issue and sell negotiable revenue bonds,
13 notes, or other evidence of indebtedness, to provide for the rights of
14 the holders thereof, and to pledge all or any part of the income of the
15 authority received under the Regional Metropolitan Transit Authority Act
16 to secure the payment thereof;

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

23 (12) To exercise the right of eminent domain under and pursuant to
24 the laws of the State of Nebraska to acquire private property, including
25 any existing private passenger transportation system, but excluding any
26 taxicabs, transportation network companies, railroads, and air passenger
27 transportation systems, which is necessary for the public transit
28 purposes of the authority, including the right to acquire rights and
29 easements across, under, or over the rights-of-way of any railroad.
30 Exercise of the right of eminent domain shall be pursuant to sections
31 76-704 to 76-724;

1 (13) To use for transportation of passengers and services or
2 improvements related to such transportation, any public road, public
3 street, or other public way in any municipality in which such authority
4 is operating or providing service, subject to the continuing rights of
5 the public to use thereof;

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

9 (15) To pay for any equipment and rentals in installments and to
10 give evidence by equipment trust notes or certificates of any deferred
11 installments. Title to such equipment need not vest in the authority
12 until the equipment trust notes or certificates are paid;

13 (16) To levy an annual property tax pursuant to section 24 of this
14 act for the fiscal year commencing on the following January 1, not to
15 exceed in any one year ten cents on each one hundred dollars on the
16 taxable value of (a) in the case of a regional metropolitan transit
17 authority created pursuant to section 4 of this act, the taxable property
18 that at the time of the levy is located in or during the ensuing fiscal
19 year will be located in, the municipality or municipalities that form the
20 authority or (b) in the case of a regional metropolitan transit authority
21 that results from the conversion of a transit authority established under
22 the Transit Authority Law, the taxable property that at the time of the
23 levy is located in or during the ensuing fiscal year will be located in,
24 any municipality in which such authority shall be deemed to have
25 operating jurisdiction pursuant to section 5 of this act.

26 (17) To apply for and accept grants and loans from the United States
27 Government, or any agency or instrumentality thereof, to be used for any
28 of the authorized purposes of the authority, and to enter into any
29 agreement with the United States Government, or any agency or
30 instrumentality thereof, in relation to such grants or loans, subject to
31 the Regional Metropolitan Transit Authority Act;

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

4 (19) To fix rates, fares, and charges for any public transit system
5 of the authority;

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

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

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

17 (23) To establish pension and retirement plans for officers and
18 employees and to adopt any existing pension and retirement plans and any
19 existing pension and retirement contracts for officers and employees of
20 any passenger transportation system purchased or otherwise acquired
21 pursuant to the Regional Metropolitan Transit Authority Act.

22 Sec. 15. The revenue derived from rates, fares, and charges fixed
23 under subdivision (19) of section 14 of this act, from property taxes
24 levied pursuant to section 24 of this act, and from any grants or loans
25 received under subdivision (17) of section 14 of this act shall at all
26 times be sufficient in the aggregate to provide for the payment of (1)
27 all operating costs of the regional metropolitan transit authority, (2)
28 interest on the principal of all revenue bonds, revenue certificates,
29 equipment trust notes or certificates, and other obligations of the
30 authority, and all other charges upon such revenue as may be provided by
31 any trust agreement executed by such authority in connection with the

1 issuance of revenue bonds or certificates under the Regional Metropolitan
2 Transit Authority Act, and (3) any other costs and charges, acquisitions,
3 installations, replacements, or reconstruction of equipment, structures,
4 or rights-of-way not financed through the issuance of revenue bonds or
5 certificates.

6 Sec. 16. (1) Beginning December 31, 2019, and each December 31
7 thereafter, for a retirement plan established pursuant to subdivision
8 (23) of section 14 of this act by any regional metropolitan transit
9 authority which is a defined benefit plan, the chairperson of the board
10 or his or her designee shall prepare and electronically file an annual
11 report with the Auditor of Public Accounts and the Nebraska Retirement
12 Systems Committee of the Legislature. The report shall be on a form
13 prescribed by the Auditor of Public Accounts and shall include, but not
14 be limited to, the following information:

15 (a) The levels of benefits of participants in the plan, the number
16 of members who are eligible for a benefit, the total present value of
17 such members' benefits, and the funding sources which will pay for such
18 benefits; and

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

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

1 Sec. 17. (1) A regional metropolitan transit authority shall have
2 the continuing power to borrow money for the purpose of acquiring any
3 transportation system and necessary cash working funds, for
4 reconstructing, extending, or improving any public transit system of the
5 authority or any part thereof, and for acquiring any property and
6 equipment useful for the reconstruction, extension, improvement, and
7 operation of any public transit system of the authority or any part
8 thereof.

9 (2) For purposes of evidencing the obligation of the authority to
10 repay any money borrowed under this section, the authority may, pursuant
11 to resolution adopted by the board from time to time, issue and dispose
12 of its interest-bearing revenue bonds or certificates. The authority may
13 also from time to time issue and dispose of its interest-bearing revenue
14 bonds or certificates to refund any revenue bonds or certificates at
15 maturity, or pursuant to redemption provisions, or at any time before
16 maturity with the consent of the holders thereof.

17 (3) All such revenue bonds and certificates shall be payable solely
18 from the revenue or income to be derived from the public transit system,
19 from property taxes levied pursuant to section 24 of this act, and from
20 any grants or loans received under subdivision (17) of section 14 of this
21 act. Such revenue bonds and certificates may bear such date or dates, may
22 mature at such time or times as may be fixed by the board, may bear
23 interest at such rate or rates as may be fixed by the board, payable
24 semiannually, may be in such form, may carry such registration
25 privileges, may be executed in such manner, may be payable at such place
26 or places, may be made subject to redemption in such manner and upon such
27 terms with or without premium as is stated on the face thereof, may be
28 authenticated in such manner, and may contain such terms and covenants as
29 may be provided in such resolution. Notwithstanding the form or tenor
30 thereof, and in the absence of an express recital on the face thereof
31 that they are nonnegotiable, all such revenue bonds and certificates

1 shall be negotiable instruments.

2 (4) Pending the preparation and execution of any such revenue bonds
3 or certificates, temporary bonds or certificates may be issued with or
4 without interest coupons as may be provided by resolution of the board.
5 To secure the payment of any or all of such temporary bonds or
6 certificates, and for the purpose of setting forth the covenants and
7 undertakings of the authority in connection with the issuance thereof and
8 the issuance of any additional temporary bonds or certificates, as well
9 as the use and application of the revenue or income to be derived from
10 the public transit system, from property taxes levied, and from any
11 grants or loans, as provided in the Regional Metropolitan Transit
12 Authority Act, the authority may execute and deliver a trust agreement or
13 agreements. No lien upon any physical property of the authority shall be
14 created by such trust agreement or agreements. A remedy for any breach or
15 default of the terms of any such trust agreement by the authority may be
16 by mandamus or other appropriate proceedings in any court of competent
17 jurisdiction to compel performance and compliance therewith. The trust
18 agreement may prescribe by whom or on whose behalf such action may be
19 instituted.

20 Sec. 18. Under no circumstances shall any revenue bonds or
21 certificates issued by a regional metropolitan transit authority or any
22 other obligation of such authority be or become an indebtedness or
23 obligation of the State of Nebraska, or of any other political
24 subdivision or body corporate and politic or of any municipality within
25 the state, nor shall any such revenue bond, certificate, or obligation be
26 or become an indebtedness of the authority within the purview of any
27 constitutional limitation or provision, and it shall be plainly stated on
28 the face of each revenue bond and certificate that it does not constitute
29 such an indebtedness or obligation but is payable solely from revenue and
30 income of such authority, including property taxes levied pursuant to
31 section 22 of this act.

1 Sec. 19. Before any revenue bonds or certificates, excepting
2 refunding bonds or certificates, are sold pursuant to section 16 of this
3 act, the entire authorized issue, or any part thereof, shall be offered
4 for sale as a unit after advertising for bids at least three times in a
5 legal newspaper in or of general circulation in the municipality or
6 municipalities served by the regional metropolitan transit authority, the
7 last publication to be at least ten days before bids are required to be
8 filed. Copies of such advertisement may also be published in any
9 newspaper or financial publication in the United States. All bids shall
10 be sealed, filed, and opened as provided by resolution adopted by the
11 board, and the revenue bonds or certificates shall be awarded to the
12 highest and best bidder or bidders therefor. The authority shall have the
13 right to reject all bids and readvertise for bids in the manner provided
14 for in the initial advertisement. If no bids are received, such revenue
15 bonds or certificates may be sold at the best possible price according to
16 the discretion of the board, without further advertising, and within
17 thirty days after the bids are required to be filed pursuant to any
18 advertisement.

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

31 (2) Such revenue bonds or other securities or obligations are hereby

1 made securities which may properly and legally be deposited with and
2 received by any state or municipal officer or any agency of the state for
3 any purpose for which the deposit of bonds or other obligations of the
4 state is authorized by law.

5 Sec. 21. All property of a regional metropolitan transit authority
6 created pursuant to the Regional Metropolitan Transit Authority Act, all
7 such authority's income and operations, and all such authority's revenue
8 bonds and equipment trust notes or certificates shall be exempt from any
9 and all forms of assessment and taxation by the state or any political
10 subdivision thereof.

11 Sec. 22. (1) A regional metropolitan transit authority may purchase
12 equipment, may execute agreements, leases, conditional sales contracts,
13 conditional lease contracts, and equipment trust notes or certificates in
14 the form customarily used in such cases appropriate to effect such
15 purchase, and may dispose of such equipment trust notes or certificates.
16 All money required to be paid by the authority under such agreements,
17 leases, and equipment notes or trust certificates shall be payable solely
18 from the revenue or income to be derived from any public transit system
19 of the authority, from property taxes levied pursuant to section 23 of
20 this act, and from grants and loans received as provided in the Regional
21 Metropolitan Transit Authority Act. Payment for such equipment, or
22 rentals therefor, may be made in installments, and the deferred
23 installments may be evidenced by equipment trust notes or certificates
24 payable solely from such sources of income, and title to such equipment
25 need not vest in the authority until the equipment trust notes or
26 certificates are paid, but when payment is accomplished the equipment
27 title shall vest in the authority.

28 (2) Any such agreement to purchase equipment may direct the vendor
29 to sell and assign the equipment to a bank or trust company, duly
30 authorized to transact business in the State of Nebraska, as trustee, for
31 the benefit and security of the equipment trust notes or certificates,

1 may direct the trustee to deliver the equipment to one or more designated
2 officers of the authority, and may authorize the trustee simultaneously
3 therewith to execute and deliver a lease of the equipment to the
4 authority.

5 (3) Any such agreements, leases, contracts, or equipment trust
6 certificates shall be duly acknowledged before some person authorized by
7 law to take acknowledgments of deeds, and in the form required for
8 acknowledgment of deeds, and such agreements, leases, and equipment trust
9 notes or certificates shall be authorized by resolution of the board and
10 shall contain such covenants, conditions, and provisions as may be deemed
11 necessary or appropriate to insure the payment of the equipment trust
12 notes or certificates from the revenue and income of the authority.

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

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

31 (2) As soon after the end of each fiscal year as practicable, the

1 board shall cause to be prepared and printed a complete and detailed
2 report and financial statement of its operations and of its assets and
3 liabilities. A reasonably sufficient number of copies of such report
4 shall be printed for distribution to persons interested upon request, and
5 a copy shall be mailed to the mayor of the city or chairperson of the
6 village board of trustees and the governing body of the municipality or
7 municipalities that form the authority.

8 Sec. 24. To assist in defraying the expenses of a regional
9 metropolitan transit authority, and to such extent as in its discretion
10 and judgment may be necessary, the board shall annually certify a tax
11 levy for the fiscal year commencing on the following January 1. Such levy
12 shall not exceed in any one year ten cents on each one hundred dollars on
13 the taxable value of:

14 (a) In the case of a regional metropolitan transit authority created
15 pursuant to section 4 of this act, the taxable property that at the time
16 of the levy is located in or during the ensuing fiscal year will be
17 located in, the municipality or municipalities that form the authority;
18 or

19 (b) In the case of a regional metropolitan transit authority that
20 results from the conversion of a transit authority established under the
21 Transit Authority Law, the taxable property that at the time of the levy
22 is located in or during the ensuing fiscal year will be located in, any
23 municipality in which such authority shall be deemed to have operating
24 jurisdiction pursuant to section 5 of this act. The board shall by
25 resolution, on or before September 20 of each year, certify such tax levy
26 to the county assessor of the county or counties in which the authority
27 operates. If in any year the full amount so certified and collected is
28 not needed for the current purposes of such authority, the balance shall
29 be credited to the reserves of such authority.

30 Sec. 25. The board shall adopt rules and regulations governing the
31 operation of any public transit system of the regional metropolitan

1 transit authority and shall determine all routes of such system. The
2 board shall, subject to section 14 of this act, fix all rates, fares, and
3 charges for transportation on such system.

4 Sec. 26. (1) The board shall, as promptly as possible,
5 rehabilitate, reconstruct, and modernize all portions of any
6 transportation system acquired by the regional metropolitan transit
7 authority, maintain at all times an adequate and modern public transit
8 system suitable and adapted to the needs of the municipality or
9 municipalities that form such authority, and provide for safe,
10 comfortable, convenient, and expeditious transit service.

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

17 Sec. 27. The board may negotiate and enter into written contracts
18 with the employees of a regional metropolitan transit authority through
19 accredited representatives of such employees or representatives of any
20 labor organization authorized to act for such employees concerning wages,
21 salaries, hours, and general working conditions. All employees of all
22 classes serving any passenger transportation company at the time of its
23 acquisition by such authority shall continue in their respective
24 positions and at their respective compensation for three months after any
25 such acquisition. Thereafter, the board shall exercise its discretion as
26 to retention of and compensation of all classes, except that the terms
27 and conditions of any existing collective-bargaining agreement between
28 any passenger transportation company acquired by such authority and its
29 employees shall be recognized and accepted by the board.

30 Sec. 28. Section 13-503, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

1 13-503 For purposes of the Nebraska Budget Act, unless the context
2 otherwise requires:

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

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

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

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

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

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

1 (7) Public funds means all money, including nontax money, used in
2 the operation and functions of governing bodies. For purposes of a
3 county, city, or village which has a lottery established under the
4 Nebraska County and City Lottery Act, only those net proceeds which are
5 actually received by the county, city, or village from a licensed lottery
6 operator shall be considered public funds, and public funds shall not
7 include amounts awarded as prizes;

8 (8) Adopted budget statement means a proposed budget statement which
9 has been adopted or amended and adopted as provided in section 13-506.
10 Such term shall include additions, if any, to an adopted budget statement
11 made by a revised budget which has been adopted as provided in section
12 13-511;

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

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

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

1 carry on the natural resources district's financial and taxing affairs.

2 Sec. 29. Section 13-519, Revised Statutes Cumulative Supplement,
3 2018, is amended to read:

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

25 (b) For all fiscal years beginning on or after July 1, 2008,
26 educational service units may exceed the limitations of subdivision (1)
27 (a) of this section to the extent that one hundred ten percent of the
28 needs for the educational service unit calculated pursuant to section
29 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to
30 subdivision (1)(a) of this section.

31 (c) For fiscal year 2017-18, the last prior year's total of

1 restricted funds for counties shall be the last prior year's total of
2 restricted funds less the last prior year's restricted funds budgeted by
3 counties under sections 39-2501 to 39-2520, plus the last prior year's
4 amount of restricted funds budgeted by counties under sections 39-2501 to
5 39-2520 to be used for capital improvements.

6 (d) The limitations of subdivision (1)(a) of this section shall not
7 apply to the budget or budget statement adopted by a regional
8 metropolitan transit authority for the first five fiscal years commencing
9 on the January 1 that follows (a) in the case of a regional metropolitan
10 transit authority created pursuant to section 4 of this act, the date of
11 the creation of the regional metropolitan transit authority or (b) in the
12 case of a regional metropolitan transit authority that results from the
13 conversion of a transit authority established under the Transit Authority
14 Law, the effective date of the conversion of the transit authority
15 established under the Transit Authority Law into a regional metropolitan
16 transit authority.

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

21 (3) A governmental unit may exceed the applicable allowable growth
22 percentage otherwise prescribed in this section by an amount approved by
23 a majority of legal voters voting on the issue at a special election
24 called for such purpose upon the recommendation of the governing body or
25 upon the receipt by the county clerk or election commissioner of a
26 petition requesting an election signed by at least five percent of the
27 legal voters of the governmental unit. The recommendation of the
28 governing body or the petition of the legal voters shall include the
29 amount and percentage by which the governing body would increase its
30 budgeted restricted funds for the ensuing year over and above the current
31 year's budgeted restricted funds. The county clerk or election

1 commissioner shall call for a special election on the issue within thirty
2 days after the receipt of such governing body recommendation or legal
3 voter petition. The election shall be held pursuant to the Election Act,
4 and all costs shall be paid by the governing body. The issue may be
5 approved on the same question as a vote to exceed the levy limits
6 provided in section 77-3444.

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

22 Sec. 30. Section 13-1205, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 13-1205 The department shall have the following powers, duties, and
25 responsibilities:

26 (1) To collect and maintain data on the level of public
27 transportation services and needs in the state and identify areas not
28 being adequately served by existing public or private transportation
29 services;

30 (2) To assess the regional and statewide effect of changes,
31 improvement, and route abandonments in the state's public transportation

1 system;

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

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

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

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

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

20 (8) To exercise all other powers necessary and proper for the
21 discharge of its duties, including the adoption and promulgation of
22 reasonable rules and regulations to carry out the Nebraska Public
23 Transportation Act ~~aet.~~

24 Sec. 31. Section 13-1209, Revised Statutes Cumulative Supplement,
25 2018, is amended to read:

26 13-1209 (1) A public transportation assistance program is hereby
27 established to provide state assistance for the capital acquisition and
28 operating costs of public transportation systems.

29 (2) Any municipality, county, transit authority, regional
30 metropolitan transit authority, or qualified public-purpose organization
31 shall be eligible to receive financial assistance for the eligible

1 capital acquisition and operating costs of a public transportation
2 system, whether the applicant directly operates such system or contracts
3 for its operation. A qualified public-purpose organization shall not be
4 eligible for financial assistance under the Nebraska Public
5 Transportation Act if such organization is currently receiving state
6 funds for a program which includes transportation services and such
7 funding and services would be duplicated by the act. Eligible operating
8 costs include those expenses incurred in the operation of a public
9 transportation system which exceed the amount of operating revenue and
10 which are not otherwise eligible for reimbursement from any available
11 federal programs other than those administered by the United States
12 Department of the Treasury. Eligible capital acquisition costs include
13 investments in the purchase, replacement, and rebuilding of buses and
14 other vehicles used for public transportation.

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

20 Sec. 32. Section 13-1213, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 13-1213 (1) An intercity bus system assistance program is hereby
23 established to provide state assistance for the operation of intercity
24 bus systems.

25 (2) Any municipality, county, transit authority, regional
26 metropolitan transit authority, or qualified public-purpose organization
27 shall be eligible to receive (a) financial assistance for the eligible
28 operating costs of such system, whether the applicant directly operates
29 the system or contracts for its operation, and (b) financial assistance
30 to match federal funds available for the purchase of vehicles and
31 equipment for the start of an intercity bus system or the replacement of

1 vehicles used in the operation of an intercity bus system. The vehicles
2 shall be titled to such municipality, county, transit authority, regional
3 metropolitan transit authority, or qualified public-purpose organization.

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

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

9 Sec. 33. Section 13-2202, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 13-2202 For purposes of the Local Government Miscellaneous
12 Expenditure Act:

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

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

1 council;

2 (3) Local government shall mean cities of any class, villages,
3 cemetery districts, community hospitals for two or more adjoining
4 counties, county hospitals, road improvement districts, counties,
5 townships, sanitary drainage districts, sanitary and improvement
6 districts, school districts, rural or suburban fire protection districts,
7 reclamation districts, natural resources districts, regional metropolitan
8 transit authorities, hospital districts, health districts, educational
9 service units, community colleges, airport authorities, weed control
10 authorities, county agricultural societies, and learning communities;

11 (4) Public funds shall mean such public funds as defined in section
12 13-503 as are under the direct control of governing bodies of local
13 governments;

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

18 (6) Volunteer shall mean a person who is not an elected or appointed
19 official or an employee of a local government and who, at the request or
20 with the permission of the local government, engages in activities
21 related to the purposes or functions of the local government or for its
22 general benefit.

23 Sec. 34. Section 13-2401, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 13-2401 (1) For purposes of this section:

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

31 (b) Receiving entity means a political subdivision which receives

1 transferred employees from a separate political subdivision; and

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

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

8 (a) If the retirement system of the transferring entity maintains a
9 defined benefit plan, an initial 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 based on the employee's years of
12 service as of the date of transfer and the other actuarial assumptions of
13 the retirement system of the transferring entity so that the effect on
14 the retirement system of the transferring entity will be actuarially
15 neutral; and

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

27 (3) A full-time or part-time employee of a transferring entity who
28 becomes an employee of a receiving entity pursuant to a merger of
29 services shall receive credit for his or her years of participation in
30 the retirement system of the transferring entity for purposes of
31 membership in the retirement system of the receiving entity.

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

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

24 (b) If the retirement system of the receiving entity maintains a
25 defined benefit plan, the employee shall transfer all of his or her funds
26 out of the retirement system of the transferring entity to purchase
27 service credits that will generate a final benefit transfer value not to
28 exceed the employee's initial benefit transfer value in the retirement
29 system of the transferring entity. After such purchase, the employee
30 shall receive eligibility and vesting credit in the retirement system of
31 the receiving entity for his or her years of service in a governmental

1 plan, as defined in section 414(d) of the Internal Revenue Code,
2 maintained by the transferring entity. The amount to be paid by the
3 member for such service credit shall equal the actuarial cost to the
4 retirement system of the receiving entity for allowing such additional
5 service credit to the employee. If any funds remain in the retirement
6 system of the transferring entity after the employee has purchased
7 service credits in the retirement system of the receiving entity, such
8 remaining funds shall be rolled over into another qualified trust under
9 section 401(a) of the Internal Revenue Code, an individual retirement
10 account, or an individual retirement annuity. Payment shall be made
11 within five years after the transfer of services, but prior to
12 retirement, and may be made through direct payment, installment payments,
13 or an irrevocable payroll deduction authorization.

14 (5) The transferring entity, the receiving entity, and the employees
15 who are being transferred may by binding agreement determine which
16 parties will provide funds to pay any amount needed to purchase
17 creditable service in the retirement system of the receiving entity
18 sufficient to provide a final benefit transfer value not to exceed the
19 employee's initial benefit transfer value, if the amount of a direct
20 rollover from the retirement system of the transferring entity is not
21 sufficient to provide a final benefit transfer value in the retirement
22 system of the receiving entity.

23 (6) The retirement system of the receiving entity may accept cash
24 rollover contributions from a member who is making payment pursuant to
25 this section if the contributions do not exceed the amount of payment
26 required for the service credits purchased by the member and the
27 contributions represent (a) all or any portion of the balance of the
28 member's interest in a qualified trust under section 401(a) of the
29 Internal Revenue Code or (b) the interest of the member from an
30 individual retirement account or an individual retirement annuity, all of
31 which is attributable to a qualified total distribution, as defined in

1 the Internal Revenue Code, from a qualified trust under section 401(a) of
2 the code and qualified as a tax-free rollover amount. The member's
3 interest under subdivision (a) or (b) of this subsection must be
4 transferred to the retirement system within sixty days after the date of
5 the distribution from the qualified trust, individual retirement account,
6 or individual retirement annuity.

7 (7) Cash transferred to the retirement system of the receiving
8 entity as a rollover contribution shall be deposited as other
9 contributions.

10 (8) The retirement system of the receiving entity may accept direct
11 rollover distributions made from a qualified trust pursuant to section
12 401(a)(31) of the Internal Revenue Code. The direct rollover distribution
13 shall be deposited as all other payments under this section.

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

17 (10) Any retirement system authorized pursuant to section 14-1805,
18 15-1017, 16-1004, 16-1023, 19-3501, 23-1118, ~~or 23-2330.04~~, or section 16
19 of this act or any retirement system for a city of the metropolitan class
20 authorized pursuant to home rule charter shall be modified to conform
21 with this section prior to any merger of service involving such system.

22 Sec. 35. Section 14-1803, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 14-1803 (1) Whenever in this state a city of the metropolitan class,
25 a county in which such city is located, one or more adjacent counties,
26 and any city or village located in such counties are served in whole or
27 in part by a common transit system, owned and controlled by a city of the
28 metropolitan class as provided for in the Transit Authority Law, then the
29 territory within the limits of the city of the metropolitan class and
30 such counties, cities, or villages, including any counties, cities, and
31 villages that may be now or hereafter served in whole or in part by the

1 common transit system, ~~may shall~~ form and constitute a transit authority.
2 No county, city, or village shall become a part of the transit authority
3 except upon approval of the governing body of the county, city, or
4 village and formal approval and proclamation by the board of directors of
5 the transit authority.

6 (2) Any city of the metropolitan class may create by ordinance a
7 transit authority to be managed and controlled by a board of five members
8 which shall be appointed as provided in section 14-1813 and shall have
9 full and exclusive jurisdiction and control over all facilities owned or
10 acquired by such city for a public passenger transportation system. The
11 governing body of such city, in the exercise of its discretion, shall
12 find and determine in the ordinance creating such transit authority that
13 its creation is expedient and necessary. The chairperson of such transit
14 authority shall be paid as compensation for his or her services not more
15 than six hundred dollars per month. Each other member of such transit
16 authority shall be paid as compensation for his or her services not more
17 than five hundred dollars per month. All salaries and compensation shall
18 be obligations against and paid solely from the revenue of such transit
19 authority. Members of such transit authority shall also be entitled to
20 reimbursement for expenses paid or incurred in the performance of the
21 duties imposed upon them by the Transit Authority Law with reimbursement
22 for mileage to be made at the rate provided in section 81-1176. The board
23 may delegate to one or more of the members or to officers, agents, and
24 employees of the authority such powers and duties as it may deem proper.
25 Any transit authority created pursuant to such law shall have and retain
26 full and exclusive jurisdiction and control over all public passenger
27 transportation systems in such city, county in which such city is
28 located, adjacent county, or city or village located in such counties
29 served by the authority, excluding taxicabs and railroad systems, with
30 the right and duty to charge and collect revenue for the operation and
31 maintenance of such systems and for the benefit of the holders of any of

1 its bonds or other liabilities. Unless such authority elects to convert
2 to a regional metropolitan transit authority under the Regional
3 Metropolitan Transit Authority Act, If such authority ceases to exist,
4 and its rights and properties shall pass to and vest in such city.

5 Sec. 36. Section 14-1812, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 14-1812 Unless the authority elects to convert into a regional
8 metropolitan transit authority pursuant to the Regional Metropolitan
9 Transit Authority Act, the ~~The~~ governing body of the authority shall be a
10 board to be known as The Transit Authority of, filling out
11 the blank with the name of the city, which shall consist of five members,
12 to be appointed as provided in section 14-1813. If at any time such
13 authority elects to convert into a regional metropolitan transit
14 authority, then as of the effective date of such conversion, the board of
15 a transit authority established under the Transit Authority Law shall
16 become a board known as the Regional Metropolitan Transit Authority
17 of (filling out the blank with the name of the municipality that
18 established the existing transit authority under the Transit Authority
19 Law or of the municipality, municipalities, region, or metropolitan
20 statistical area comprising the regional metropolitan transit authority).
21 Thereafter, notwithstanding any provision in the Transit Authority Law to
22 the contrary, such board shall consist of members as determined under and
23 be governed by and subject to the Regional Metropolitan Transit Authority
24 Act.

25 Sec. 37. Section 32-101, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 32-101 Sections 32-101 to 32-1551 and section 38 of this act shall
28 be known and may be cited as the Election Act.

29 Sec. 38. (1) Members of the board of directors of a regional
30 metropolitan transit authority shall be nominated at the statewide
31 primary election and elected at the statewide general election

1 immediately following the creation of the authority, and subsequently
2 elected members shall be nominated at subsequent statewide primary
3 elections and elected at subsequent statewide general elections.
4 Candidates for election shall be nominated upon a nonpartisan ballot.

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

11 (3) Members shall take office on the first Thursday after the first
12 Tuesday in January following their election, except that members
13 appointed to fill vacancies shall take office immediately following
14 administration of the oath of office.

15 Sec. 39. Section 32-567, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 32-567 Vacancies in office shall be filled as follows:

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

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

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

24 (4) In the membership of the city council, according to section
25 32-568 or 32-569, as applicable;

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

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

30 (7) In offices in natural resources districts, according to section
31 2-3215;

1 (8) In offices in community college areas, according to section
2 85-1514;

3 (9) In offices in educational service units, according to section
4 79-1217;

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

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

8 (12) In membership on airport authority boards, according to section
9 3-502, 3-611, or 3-703, as applicable;

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

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

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

16 (16) For regional metropolitan transit authority boards, according
17 to section 8 or 9 of this act.

18 Sec. 40. Section 32-604, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 32-604 (1) Except as provided in subsection (2) or (4) of this
21 section, no person shall be precluded from being elected or appointed to
22 or holding an elective office for the reason that he or she has been
23 elected or appointed to or holds another elective office.

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

30 (3) Whenever an incumbent serving as a member of the Legislature or
31 in an elective office described in Article IV, section 1 or 20, or

1 Article VII, section 3 or 10, of the Constitution of Nebraska assumes
2 another elective office, except an elective office filled at an election
3 held in conjunction with the annual meeting of a public body, the office
4 first held by the incumbent shall be deemed vacant.

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

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

13 (6) For purposes of this section, (a) elective office has the
14 meaning found in section 32-109 and includes an office which is filled at
15 an election held in conjunction with the annual meeting of a public body
16 created by an act of the Legislature but does not include a member of a
17 learning community coordinating council appointed pursuant to subsection
18 (5) or (7) of section 32-546.01 prior to January 5, 2017, and (b) high
19 elective office means a member of the Legislature, an elective office
20 described in Article IV, section 1 or 20, or Article VII, section 3 or
21 10, of the Constitution of Nebraska, or a county, city, community college
22 area, learning community, regional metropolitan transit authority, or
23 school district elective office.

24 Sec. 41. Section 32-1203, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 32-1203 (1) Each city, village, school district, public power
27 district, sanitary and improvement district, metropolitan utilities
28 district, fire district, natural resources district, regional
29 metropolitan transit authority, community college area, learning
30 community coordinating council, educational service unit, hospital
31 district, reclamation district, and library board shall pay for the costs

1 of nominating and electing its officers as provided in subsection (2),
2 (3), or (4) of this section. If a special issue is placed on the ballot
3 at the time of the statewide primary or general election by any political
4 subdivision, the political subdivision shall pay for the costs of the
5 election as provided in subsection (2), (3), or (4) of this section. The
6 districts listed in this subsection shall furnish to the Secretary of
7 State and election commissioner or county clerk any maps and additional
8 information which the election commissioner or county clerk may require
9 in the proper performance of their duties in the conduct of elections and
10 certification of results.

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

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

23 (4) In lieu of the charge determined pursuant to subsection (2) of
24 this section, the election commissioner or county clerk may bill school
25 districts directly for the costs of an election held under section
26 10-703.01.

27 Sec. 42. Section 60-6,290, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 60-6,290 (1)(a) No vehicle shall exceed a length of forty feet,
30 extreme overall dimensions, inclusive of front and rear bumpers including
31 load, except that:

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

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

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

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

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

18 (vi) An articulated bus vehicle operated by a transit authority
19 created pursuant to section 14-1803 or regional metropolitan transit
20 authority created pursuant to section 4 or 5 of this act may exceed the
21 forty-foot limitation. For purposes of this subdivision (vi), an
22 articulated bus vehicle shall not exceed sixty-five feet in length.

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

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

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

31 (iii) A truck-tractor semitrailer trailer combination, but the

1 semitrailer trailer portion of such combination shall not exceed sixty-
2 five feet inclusive of connective devices; and

3 (iv) A driveaway saddlemount vehicle transporter combination and
4 driveaway saddlemount with fullmount vehicle transporter combination, but
5 the total overall length shall not exceed ninety-seven feet.

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

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

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

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

13 (b) Vehicles which have been issued a permit pursuant to section
14 60-6,299;

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

17 (d) The movement of unbaled livestock forage vehicles, loaded or
18 unloaded;

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

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

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

30 (h) The overhang of a combine to be engaged in harvesting, while
31 being transported into or through the state driven during daylight hours

1 by a truck-tractor semitrailer combination, but the length of the
2 semitrailer, including overhang, shall not exceed sixty-three feet and
3 the maximum semitrailer length shall not exceed fifty-three feet;

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

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

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

22 Sec. 43. Section 75-303, Reissue Revised Statutes of Nebraska, is
23 amended to read:

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

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

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

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

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

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

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

20 (7) A motor carrier engaged in the transportation of passengers
21 operated by a transit authority or regional metropolitan transit
22 authority created under and acting pursuant to the laws of the State of
23 Nebraska;

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

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

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

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

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

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

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

22 Sec. 44. Section 77-3442, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 77-3442 (1) Property tax levies for the support of local governments
25 for fiscal years beginning on or after July 1, 1998, shall be limited to
26 the amounts set forth in this section except as provided in section
27 77-3444.

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

1 (b) For each fiscal year prior to fiscal year 2017-18, learning
2 communities may levy a maximum levy for the general fund budgets of
3 member school districts of ninety-five cents per one hundred dollars of
4 taxable valuation of property subject to the levy. The proceeds from the
5 levy pursuant to this subdivision shall be distributed pursuant to
6 section 79-1073.

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

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

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

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

30 (f) For each fiscal year, learning communities may levy a maximum
31 levy of one-half cent on each one hundred dollars of taxable property

1 subject to the levy for elementary learning center facility leases, for
2 remodeling of leased elementary learning center facilities, and for up to
3 fifty percent of the estimated cost for focus school or program capital
4 projects approved by the learning community coordinating council pursuant
5 to section 79-2111.

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

14 (3) For each fiscal year, community college areas may levy the
15 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in
16 accordance with the provisions of such subdivisions. A community college
17 area may exceed the levy provided in subdivision (2)(b) of section
18 85-1517 by the amount necessary to retire general obligation bonds
19 assumed by the community college area or issued pursuant to section
20 85-1515 according to the terms of such bonds or for any obligation
21 pursuant to section 85-1535 entered into prior to January 1, 1997.

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

25 (b) Natural resources districts shall also have the power and
26 authority to levy a tax equal to the dollar amount by which their
27 restricted funds budgeted to administer and implement ground water
28 management activities and integrated management activities under the
29 Nebraska Ground Water Management and Protection Act exceed their
30 restricted funds budgeted to administer and implement ground water
31 management activities and integrated management activities for FY2003-04,

1 not to exceed one cent on each one hundred dollars of taxable valuation
2 annually on all of the taxable property within the district.

3 (c) In addition, natural resources districts located in a river
4 basin, subbasin, or reach that has been determined to be fully
5 appropriated pursuant to section 46-714 or designated as overappropriated
6 pursuant to section 46-713 by the Department of Natural Resources shall
7 also have the power and authority to levy a tax equal to the dollar
8 amount by which their restricted funds budgeted to administer and
9 implement ground water management activities and integrated management
10 activities under the Nebraska Ground Water Management and Protection Act
11 exceed their restricted funds budgeted to administer and implement ground
12 water management activities and integrated management activities for
13 FY2005-06, not to exceed three cents on each one hundred dollars of
14 taxable valuation on all of the taxable property within the district for
15 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
16 2017-18.

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

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

1 80-202.

2 (b) Incorporated cities and villages which are within the boundaries
3 of a municipal county may levy a maximum levy of ninety cents per one
4 hundred dollars of taxable valuation of property subject to the levy. The
5 maximum levy shall include amounts paid to a municipal county for county
6 services, amounts levied to pay for sums to support a library pursuant to
7 section 51-201, a museum pursuant to section 51-501, a visiting community
8 nurse, home health nurse, or home health agency pursuant to section
9 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

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

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

1 taxable valuation on any parcel or item of taxable property. The county
2 may allocate to one or more other political subdivisions subject to
3 allocation of property tax authority by the county under subsection (1)
4 of section 77-3443 some or all of the county's five cents per one hundred
5 dollars of valuation authorized for support of an agreement or agreements
6 to be levied by the political subdivision for the purpose of supporting
7 that political subdivision's share of revenue required under an agreement
8 or agreements executed pursuant to the Interlocal Cooperation Act or the
9 Joint Public Agency Act. If an allocation by a county would cause another
10 county to exceed its levy authority under this section, the second county
11 may exceed the levy authority in order to levy the amount allocated.

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

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

28 (11) Regional metropolitan transit authorities may levy a maximum
29 levy of ten cents per one hundred dollars of taxable valuation of
30 property subject to the levy for each fiscal year that commences on the
31 January 1 that follows (a) in the case of a regional metropolitan transit

1 authority created pursuant to section 4 of this act, the date of the
2 creation of such regional metropolitan transit authority; or (b) in the
3 case of a regional metropolitan transit authority that results from the
4 conversion of a transit authority established under the Transit Authority
5 Law, the effective date of the conversion of the transit authority into a
6 regional metropolitan transit authority.

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

21 (13) ~~(12)~~ The limitations on tax levies provided in this section are
22 to include all other general or special levies provided by law.
23 Notwithstanding other provisions of law, the only exceptions to the
24 limits in this section are those provided by or authorized by sections
25 77-3442 to 77-3444.

26 (14) ~~(13)~~ Tax levies in excess of the limitations in this section
27 shall be considered unauthorized levies under section 77-1606 unless
28 approved under section 77-3444.

29 (15) ~~(14)~~ For purposes of sections 77-3442 to 77-3444, political
30 subdivision means a political subdivision of this state and a county
31 agricultural society.

1 (16) ~~(15)~~ For school districts that file a binding resolution on or
2 before May 9, 2008, with the county assessors, county clerks, and county
3 treasurers for all counties in which the school district has territory
4 pursuant to subsection (7) of section 79-458, if the combined levies,
5 except levies for bonded indebtedness approved by the voters of the
6 school district and levies for the refinancing of such bonded
7 indebtedness, are in excess of the greater of (a) one dollar and twenty
8 cents per one hundred dollars of taxable valuation of property subject to
9 the levy or (b) the maximum levy authorized by a vote pursuant to section
10 77-3444, all school district levies, except levies for bonded
11 indebtedness approved by the voters of the school district and levies for
12 the refinancing of such bonded indebtedness, shall be considered
13 unauthorized levies under section 77-1606.

14 Sec. 45. Section 77-3443, Reissue Revised Statutes of Nebraska, is
15 amended to read:

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

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

28 (2) All city airport authorities established under the Cities
29 Airport Authorities Act, community redevelopment authorities established
30 under the Community Development Law, for each fiscal year of such transit
31 authority until the first fiscal year commencing after the effective date

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

1 request that would allow a levy greater than that permitted by law. The
2 levy allocated by the municipality or municipal county may be exceeded as
3 provided in section 77-3444.

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

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

25 Sec. 46. Section 84-304, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 84-304 It shall be the duty of the Auditor of Public Accounts:

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

31 (2) To furnish offices for himself or herself and all fuel, lights,

1 books, blanks, forms, paper, and stationery required for the proper
2 discharge of the duties of his or her office;

3 (3)(a) To examine or cause to be examined, at such time as he or she
4 shall determine, books, accounts, vouchers, records, and expenditures of
5 all state officers, state bureaus, state boards, state commissioners, the
6 state library, societies and associations supported by the state, state
7 institutions, state colleges, and the University of Nebraska, except when
8 required to be performed by other officers or persons. Such examinations
9 shall be done in accordance with generally accepted government auditing
10 standards for financial audits and attestation engagements set forth in
11 Government Auditing Standards (2011 Revision), published by the
12 Comptroller General of the United States, Government Accountability
13 Office, and except as provided in subdivision (10) of this section,
14 subdivision (16) of section 50-1205, and section 84-322, shall not
15 include performance audits, whether conducted pursuant to attestation
16 engagements or performance audit standards as set forth in Government
17 Auditing Standards (2011 Revision), published by the Comptroller General
18 of the United States, Government Accountability Office.

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

1 the report is delivered to the Appropriations Committee for entry into
2 the record during the committee's budget hearing process;

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

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

31 (b) The Auditor of Public Accounts may waive the audit requirement

1 of subdivision (4)(a) of this section upon the submission by the
2 political subdivision of a written request in a form prescribed by the
3 auditor. The auditor shall notify the political subdivision in writing of
4 the approval or denial of the request for a waiver.

5 (c) Through December 31, 2017, the Auditor of Public Accounts may
6 conduct audits under this subdivision for purposes of sections 2-3228,
7 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037,
8 19-3501, 23-1118, 23-3526, 71-1631.02, and 79-987.

9 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may
10 conduct audits under this subdivision for purposes of sections 13-2402,
11 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 71-1631.02, and
12 79-987, and section 16 of this act and shall prescribe the form for the
13 annual reports required in each of such sections. Such annual reports
14 shall be published annually on the web site of the Auditor of Public
15 Accounts;

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

30 (6)(a) To examine or cause to be examined the books, accounts,
31 vouchers, records, and expenditures of a fire protection district. The

1 expense of the examination shall be paid by the political subdivision.

2 (b) Whenever the expenditures of a fire protection district are one
3 hundred fifty thousand dollars or less per fiscal year, the fire
4 protection district shall be audited no more than once every five years
5 except as directed by the board of directors of the fire protection
6 district or unless the auditor receives a verifiable report from a third
7 party indicating any irregularities or misconduct of officers or
8 employees of the fire protection district, any misappropriation or misuse
9 of public funds or property, or any improper system or method of
10 bookkeeping or condition of accounts of the fire protection district. In
11 the absence of such a report, the auditor may waive the five-year audit
12 requirement upon the submission of a written request by the fire
13 protection district in a form prescribed by the auditor. The auditor
14 shall notify the fire protection district in writing of the approval or
15 denial of a request for waiver of the five-year audit requirement. Upon
16 approval of the request for waiver of the five-year audit requirement, a
17 new five-year audit period shall begin.

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

27 (7) To appoint two or more assistant deputies (a) whose entire time
28 shall be devoted to the service of the state as directed by the auditor,
29 (b) who shall be certified public accountants with at least five years'
30 experience, (c) who shall be selected without regard to party affiliation
31 or to place of residence at the time of appointment, (d) who shall

1 promptly report to the auditor the fiscal condition shown by each
2 examination, including any irregularities or misconduct of officers or
3 employees, any misappropriation or misuse of public funds or property,
4 and any improper system or method of bookkeeping or condition of
5 accounts, and it shall be the duty of the auditor to file promptly with
6 the Governor a duplicate of such report, and (e) who shall qualify by
7 taking an oath which shall be filed in the office of the Secretary of
8 State;

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

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

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

27 (11) Unless otherwise specifically provided, to assess the interest
28 rate on delinquent payments of any fees for audits and services owing to
29 the Auditor of Public Accounts at a rate of fourteen percent per annum
30 from the date of billing unless paid within thirty days after the date of
31 billing. For an entity created pursuant to the Interlocal Cooperation Act

1 or the Joint Public Agency Act, any participating public agencies shall
2 be jointly and severally liable for the fees and interest owed if such
3 entity is defunct or unable to pay.

4 Sec. 47. Section 84-304.02, Revised Statutes Cumulative Supplement,
5 2018, is amended to read:

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

23 Sec. 48. The Revisor of Statutes shall assign sections 1 to 27 of
24 this act to a new article in Chapter 19, and section 38 of this act to an
25 article in Chapter 32.

26 Sec. 49. Original sections 13-1213, 13-2202, 13-2401, 14-1803,
27 14-1812, 32-567, 32-604, 32-1203, 75-303, 77-3442, and 77-3443, Reissue
28 Revised Statutes of Nebraska, and sections 13-503, 13-519, 13-1205,
29 13-1209, 32-101, 60-6,290, 84-304, and 84-304.02, Revised Statutes
30 Cumulative Supplement, 2018, are repealed.