LEGISLATIVE PILL 694

Approved by the Governor April 28, 1971

Introduced by Jerome Warner, 25th District

AN ACT to amend section 39-2509, Revised Statutes Supplement, 1969, relating to highways; to require counties to match funds based on a fiscal year as prescribed; to extend the time funds shall be held in escrow; and to repeal the original section.

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

Section 1. That section 39-2509, Revised Statutes Supplement, 1969, be amended to read as follows:

39-2509. (1) Each county shall be responsible in each <u>fiscal</u> year for providing locally for county road and bridge purposes a sum equal to at least fifty per cent of the amount allocated to it under the provisions of section 39-2506 or 39-2507, as applicable, and section 39-2508.

during the preceding calendar fiscal year, failed to provide locally the minimum required by subsection (1) of this section shall forfeit one dollar for each dollar which it fails to so provide locally; Provided, that any county which certifies to the State Treasurer by resolution that it has reached its constitutional levy limitation as a result of the requirement by law of providing its share of the cost of caring for mental health patients and is therefore unable to meet its highway revenue matching requirements, shall have its unmet highway allocation held in escrow until January July 1, 1973. The State Treasurer shall invest such escrow funds in short term obligations of the United States government and the interest therefrom shall be added to the counties' share of the Highway Allocation Fund for the month in which the interest is received. Any amounts otherwise forfeited under the provisions of this subsection first shall be made available to the incorporated municipalities, as determined by the county board, within the county which forfeits the funds, such funds to be matched by the incorporated municipalities in the same manner as would have been required of the county had it not forfeited the funds, and if not so used, then shall be allocated among and distributed to the counties that have complied with the requirements of

I.B694

- subsection (1) of this section. Such distribution shall be made as provided in sections 39-2507 and 39-2508.
- (3) For the purposes of this section, providing locally shall include, but not be limited to, providing money for road purposes through the following; Provided, that there shall not be duplication in the following in the determination of the total:
- (a) Property taxes levied by action of county and township boards for construction, improvement, maintenance, and repair of roads, bridges, culverts and drainage structures, for curbs, for snow removal, for grading of dirt and gravel roads, for traffic signs and signals, for construction of storm sewers directly related to roads, and property taxes levied for the payment of the principal and interest on general obligation bonds for any of the foregoing;
- (b) Contributions received for county road purposes;
- (c) Local costs in the acquisition of road right-of-way, including incidental expenses directly related to such acquisition; and
- (d) Inheritance taxes allocated for county road purposes.
- Sec. 2. That original section 39-2509, Revised Statutes Supplement, 1969, is repealed.