

## LEGISLATIVE BILL 360

Approved by the Governor May 26, 2009

Introduced by Cook, 13.

FOR AN ACT relating to the Land Reutilization Act; to amend sections 77-3201, 77-3203, 77-3205, and 77-3211, Reissue Revised Statutes of Nebraska, and sections 77-3204 and 77-3207, Revised Statutes Cumulative Supplement, 2008; to authorize the creation of an authority by a city of the metropolitan class; and to repeal the original sections.

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

Section 1. Section 77-3201, Reissue Revised Statutes of Nebraska, is amended to read:

77-3201 (1) There may be created within each county an authority for the management, sale, transfer, and other disposition of tax-delinquent lands, which authority shall be known as the Land Reutilization Authority of the County of ..... . It shall have authority to accept the grant of any interest in real property made to it or to accept gifts and grant-in-aid assistance. The authority shall have and exercise all the powers conferred by the Land Reutilization Act necessary and incidental to the effective management, sale, transfer, or other disposition of real estate acquired under and by virtue of the foreclosure of the lien for delinquent real estate taxes, and in the exercise of its powers, the authority shall be deemed to be a public corporation acting in a governmental capacity and a political subdivision of this state.

(2) The authority shall foster the public purpose of returning land which is in a nonrevenue-generating nontax-producing status to effective utilization in order to provide housing, new industry, and jobs for the citizens of the county and new tax revenue for the county.

(3) In counties in which a city of the metropolitan class is located, such a city may create an authority for the management, sale, transfer, and other disposition of tax-delinquent lands which shall be known as the Land Reutilization Authority of the City of ..... . Such authority shall have all of the powers and duties granted to an authority by the act with regard to property located within the corporate boundaries of that city. Such an authority shall be a division of the planning department of such city and shall not be deemed to be a public corporation acting in a governmental capacity or a political subdivision of this state, independent of the city creating the authority. All of the acts of such an authority shall be the acts of such city. If a land reutilization authority for the county in which is situated a city of the metropolitan class exists at the time of creation of an authority by a city of the metropolitan class, the existing authority of the county with regard to property located within the corporate boundaries of the city shall cease to exist within one hundred eighty days after the creation of the land reutilization authority of such city and any real property located within the corporate boundaries of the city held by such land reutilization authority of the county shall be conveyed to the newly created authority of the city of the metropolitan class.

(4) Pursuant to the provisions of the Interlocal Cooperation Act, a city of the metropolitan class that creates a land reutilization authority may enter into an agreement with any county to authorize the city's land reutilization authority to exercise on behalf of such county the authority provided by the Land Reutilization Act for its own land reutilization authority upon such terms and conditions as the city and county may agree.

Sec. 2. Section 77-3203, Reissue Revised Statutes of Nebraska, is amended to read:

77-3203 (1) In each county which creates an authority pursuant to subsection (1) of section 77-3201, there is hereby created a Land Reutilization Commission which shall be composed of at least three members, one of whom shall be appointed by the governing body of the most populous city within the county, one of whom shall be appointed by the board of county commissioners, and one of whom shall be appointed by the board of education of the school district serving the most populous city of the county. At the request of the governing body of a city of the first or second class within the county, which is not the most populous city in the county, or the board of education of a school district located predominately within the county, which is not serving the most populous city of the county, the county board shall authorize the appointment of additional members to the Land Reutilization Commission, not to exceed a maximum total of seven members of the commission.

The additional members of the commission shall be appointed by the governing body of the respective city or cities of the first or second class or by the board of education of the respective school district or districts. If necessary to establish an odd number of commission members, the county board may appoint a member from a municipality or school district within the county which is not represented on the commission. The members shall serve at the pleasure of the respective appointing authority and may be employees of the appointing authority. No member shall receive compensation for serving on the commission.

(2) Any vacancy in the office of commissioner shall be filled by the same appointing authority which made the original appointment.

(3) In a city of the metropolitan class which determines to create an authority pursuant to subsection (3) of section 77-3201, the city by ordinance may create a Land Reutilization Commission which shall be composed of a minimum of three members of the planning department of the city of the metropolitan class, appointed by its director. The members shall serve at the pleasure of the director. No member shall receive compensation for serving on the commission.

Sec. 3. Section 77-3204, Revised Statutes Cumulative Supplement, 2008, is amended to read:

77-3204 (1) The members of ~~the~~ a Land Reutilization Commission shall meet immediately after being appointed and qualified and shall select a chairperson, a vice-chairperson, and a secretary.

(2) Each commissioner shall furnish a surety bond in a penal sum of not less than fifteen thousand dollars, the premium of such bond to be paid by the authority from which the commissioner was appointed or which he or she represents. The bond shall be issued by a surety company licensed to do business in the State of Nebraska, shall be conditioned to guarantee the faithful performance of all duties under the Land Reutilization Act, and shall be written to cover all the commissioners.

(3) Before entering upon the duties of his or her office, each commissioner shall take and subscribe to the following oath:

State of Nebraska)  
) ss.  
County of .....

I, ....., do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Nebraska, that I will faithfully and impartially discharge my duties as a member of the Land Reutilization Authority of the ~~county,~~ County of ..... or City of ....., that I will, according to my best knowledge and judgment, administer tax-delinquent lands held by me in trust according to the laws of this state and for the benefit of the public bodies and the tax bill owners which I represent, so help me God.

.....  
Subscribed and sworn to this ..... day of ..... 20....  
My commission expires: .....

..... Notary Public

Sec. 4. Section 77-3205, Reissue Revised Statutes of Nebraska, is amended to read:

77-3205 (1) The authority shall be a continuing body and shall have and adopt an official seal which shall bear on its face the words Land Reutilization Authority of the County of ..... or City of ....., and shall have the power to issue deeds in its name, which deeds shall be signed by the chairperson or vice-chairperson and attested by the secretary, and shall have the general power to administer its business as any other corporate body. A land reutilization authority of a city of the metropolitan class shall issue deeds in the name of such city and such city, through its employees designated as the commission members, shall have general powers to administer the authority's business.

(2) The authority may convey title to any real estate sold or conveyed by it by general or special warranty deed, and may convey an absolute title in fee simple, without in any case procuring any consent, conveyance, or other instrument from the beneficiaries for which it acts. Each such deed shall recite whether the selling price represents a consideration equal to or in excess of two-thirds of the appraised value of such real estate so sold or conveyed. If such selling price represents a consideration of less than two-thirds of the appraised value of such real estate, the approval of such selling price shall be by unanimous action of the authority and evidenced by a copy of such action duly certified to by its secretary and attached to and made a part of such deed. In the event that unanimous action of the authority is not obtained, then the commissioners shall first procure the consent to such selling price of not less than a majority of the appointing authorities,

which consent shall be evidenced by a copy of the action of each such appointing authority duly certified to by its clerk or secretary and attached to and made a part of such deed. In the case of a land reutilization authority for a city of the metropolitan class, the commissioners shall procure the planning director's consent.

Sec. 5. Section 77-3207, Revised Statutes Cumulative Supplement, 2008, is amended to read:

77-3207 (1) The commissioners may appoint a director and such other employees as are deemed necessary to carry out the responsibilities and duties imposed by the Land Reutilization Act and may incur such other reasonable and proper costs and expenses related thereto. A land reutilization authority of a city of the metropolitan class shall utilize only city employees for such responsibilities and duties. If such costs and expenses exceed the amount of funds available to the authority under the act, the authority shall obtain approval for such additional or supplemental needs. Such appropriations shall be considered advances to the authority subject to repayment from funds accumulated by the authority under the act.

The county treasurer's office, or city treasurer's office in the case of an authority created pursuant to subsection (3) of section 77-3201, shall handle all such appropriated expense funds and disburse the same under the provisions for handling other expenditures.

The authority shall deposit all funds received under the act with the county treasurer of the county, or the city treasurer in the case of an authority created pursuant to subsection (3) of section 77-3201, and make disbursements therefrom upon receipt of vouchers duly authorized by the authority under the act and in accordance with standard procedures adopted by and approved by the county treasurer, or the city treasurer in the case of an authority created pursuant to subsection (3) of section 77-3201.

(2) The fiscal year of the authority shall commence on January 1 of each year. The authority shall audit all claims for the expenditure of money and the ~~chairman or vice-chairman~~ chairperson or vice-chairperson thereof shall draw warrants therefor from time to time, or the city treasurer in the case of an authority created pursuant to subsection (3) of section 77-3201.

Sec. 6. Section 77-3211, Reissue Revised Statutes of Nebraska, is amended to read:

77-3211 (1) If, when the sheriff offers the parcels of real estate for sale under the tax foreclosure laws of this state, there is no bid equal to the full amount of all tax bills included in the judgment, interest, penalties, fees, and costs then due thereon made or received at such sale, the authority shall be deemed to have bid the full amount of all tax bills included in the judgment, interest, penalties, fees, and costs then due, and if no other earlier or later bid be then received by the sheriff as allowed by law in excess of the bid of the authority, then the bid of the authority shall be announced as accepted. The sheriff shall report any such bid or bids so made by the authority in the same way as his or her report of other bids is made.

(2) The authority shall pay, if possible, any penalties, fees, or costs included in the judgment of foreclosure of such parcel of real estate when such parcel is sold or otherwise disposed of by such authority. Upon confirmation by the court of such bid at such sale by such authority, and upon notification by the sheriff, the county treasurer, or the city treasurer in the case of an authority created pursuant to subsection (3) of section 77-3201, shall mark the tax bills to the date of such confirmation as canceled by sale to the authority, and shall take credit for the full amount of such tax bills, including principal amount, interest, penalties, fees, and costs, on his or her books and his or her statements with any other taxing authorities.

Sec. 7. Original sections 77-3201, 77-3203, 77-3205, and 77-3211, Reissue Revised Statutes of Nebraska, and sections 77-3204 and 77-3207, Revised Statutes Cumulative Supplement, 2008, are repealed.