

E AND R AMENDMENTS TO LB 1114

Introduced by Guereca, 7, Chairman Enrollment and Review

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

3 **Section 1.** Sections 1 to 59 of this act shall be known and may be
4 cited as the Community Improvement District Act.

5 **Sec. 2.** For purposes of the Community Improvement District Act:

6 (1) Administrator means the person appointed by the city council of
7 the city or board of trustees of the village in which the community
8 improvement district is located pursuant to section 42 of this act to
9 manage the affairs of a community improvement district and to exercise
10 the powers of the board of trustees during the period of the appointment
11 to the extent prescribed in the Community Improvement District Act;

12 (2) Bond means an investment security under article 8, Uniform
13 Commercial Code, in the form of a long-term, written promise to pay a
14 specified sum of money, referred to as the face value or principal
15 amount, at a specified maturity date or dates in the future, plus
16 periodic interest at a specified rate;

17 (3) Capital outlay means expenditures for construction or
18 reconstruction of major permanent facilities having an expected long
19 life, including, but not limited to, public infrastructure improvements;

20 (4) Development means the original installation of any public
21 improvements to the standards of the city or village zoning standards;

22 (5) Operation and maintenance expenses means and includes, but is
23 not limited to, salaries, cost of materials and supplies for operation
24 and maintenance of the community improvement district's facilities, cost
25 of ordinary repairs, replacements, and alterations, cost of surety bonds
26 and insurance, cost of audits and other fees, and taxes;

27 (6) Public infrastructure means any publicly owned electric service

1 lines and conduits, gas service lines and conduits, sanitary sewer lines,
2 sanitary sewer system improvements, storm sewer lines, storm sewer system
3 improvements, flood control improvements, water lines, water system
4 improvements, emergency management warning system improvements,
5 sidewalks, roads, streets, highways, pedestrian walkways, skywalks,
6 public spaces, public facilities, parks, playgrounds, recreational
7 facilities, offstreet motor vehicle parking facilities, public waterways,
8 docks, wharfs, rail lines, flood control systems, flood control
9 improvements, and related appurtenances, whether owned or to be owned by
10 the community improvement district or another political subdivision;

11 (7) Public waterways means artificially created boat channels
12 dedicated to public use and providing access to navigable rivers or
13 streams;

14 (8) Redevelopment means the reconstruction, rehabilitation, or
15 original installation of public infrastructure as long as prior public
16 infrastructure has been installed in the community improvement district
17 even if such installation occurred prior to the formation of the
18 community improvement district; and

19 (9) Warrant means an investment security under article 8, Uniform
20 Commercial Code, in the form of a short-term, interest-bearing order
21 payable on a specified date issued by the board of trustees or
22 administrator of a community improvement district to be paid from funds
23 available or expected to be received in the future, and includes, but is
24 not limited to, property tax collections, special assessment collections,
25 and proceeds of sale of bonds.

26 **Sec. 3.** (1)(a) A majority of the owners, as determined in
27 subsection (5) of this section, having an interest in the real property
28 within the limits of a proposed community improvement district, situated
29 wholly within a village or city in this state at the time of approval
30 pursuant to section 6 of this act, may propose formation of a community
31 improvement district for the purpose of construction, installation,

1 improvement, equipping, maintenance, and repair of public infrastructure
2 in or related to such community improvement district, and contracting
3 with the city or village in which the community improvement district is
4 located or other political subdivisions of this state for any public
5 purpose. The real property included within a community improvement
6 district may be contiguous or noncontiguous.

7 (b) Nothing in this section shall authorize community improvement
8 districts to purchase electric service and resell the same.

9 (c) For the purposes listed in this section, such majority of the
10 owners may make and sign articles of association in which shall be stated
11 (i) the name of the community improvement district, (ii) that the
12 community improvement district will have perpetual existence, (iii) the
13 limits of the community improvement district, (iv) the name and place of
14 residence of each owner of the land in the proposed community improvement
15 district, (v) the description of the several tracts of land situated in
16 the community improvement district owned by those who may organize the
17 community improvement district, and (vi) the name and the description of
18 the real estate owned by any such owner who does not join in the
19 organization of the community improvement district but who will be
20 benefited thereby. Such owners of real estate as are unknown may also be
21 set out in the articles as such.

22 (d) No community improvement district may own or hold land in excess
23 of ten acres, unless such land so owned and held by such community
24 improvement district is actually used for a public purpose, as provided
25 in this section, within three years after its acquisition. Any community
26 improvement district which has acquired land in excess of ten acres in
27 area and has not devoted the same to a public purpose, as set forth in
28 this section, within three years after the date of its acquisition, shall
29 devote the same to a use set forth in this section or shall divest itself
30 of such land. When a community improvement district divests itself of
31 land pursuant to this section, it shall do so by sale at public auction

1 to the highest bidder after notice of such sale has been given by
2 publication at least three times for three consecutive weeks prior to the
3 date of sale in a legal newspaper of general circulation within the area
4 of the community improvement district.

5 (2) The articles of association shall state:

6 (a) The proposed community improvement district proposes an
7 aggregate maximum permitted levy rate for all purposes in an amount not
8 to exceed per \$100 of taxable valuation in such community
9 improvement district, to be deposited and held in the funds of the
10 community improvement district and used for general corporate purposes,
11 including payment of principal of and interest on any outstanding bonds,
12 warrants, and other obligations of the community improvement district;
13 and

14 (b) The owners of real estate so forming the community improvement
15 district for such purposes are willing and obligate themselves to pay the
16 tax or taxes which may be levied against all the property in the
17 community improvement district and special assessments against the real
18 property benefited which may be assessed against them to pay the expenses
19 that may be necessary for the purposes of the community improvement
20 district as authorized in subsection (1) of this section.

21 (3) The articles shall propose the names of five or more trustees
22 who (a) live in the purposed community improvement district, (b) are
23 owners of real estate located in the proposed community improvement
24 district, or (c) are designees of the owners if the real estate is owned
25 by a limited partnership, a general partnership, a limited liability
26 company, a public, private, or municipal corporation, an estate, or a
27 trust. The five trustees approved pursuant to section 6 of this act shall
28 serve as a board of trustees until their successors are elected and
29 qualified if such community improvement district is organized.

30 (4) After the articles are signed, the same shall be filed in the
31 office of the clerk of the city or village in which such community

1 improvement district shall be located together with a request that the
2 city council of the city or board of trustees of the village in which
3 such articles of association have been filed pass and approve an
4 ordinance approving formation of such community improvement district
5 pursuant to the Community Improvement District Act.

6 (5) For purposes of subsection (1) of this section, a majority of
7 the owners having an interest in the real property in a proposed
8 community improvement district is determined as follows:

9 (a) If the real property in a proposed community improvement
10 district is currently zoned commercial or industrial, a majority of the
11 owners is determined based on the number of acres owned in the proposed
12 boundary of the community improvement district;

13 (b) If the real property in a proposed community improvement
14 district is currently zoned residential, a majority of the owners is
15 determined based on the majority of the number of residential lots or
16 condominium units in the proposed boundary of the community improvement
17 district, regardless of lot size;

18 (c) If the real property in a proposed community improvement
19 district is currently zoned agricultural, majority means all real
20 property owners; and

21 (d) If the real property in a proposed community improvement
22 district is a combination of subdivisions (a) through (c) of this
23 subsection, a majority of the owners is determined giving equal weight to
24 each acre and each residential lot and must include all owners of
25 agricultural land in the proposed boundary of the community improvement
26 district.

27 **Sec. 4.** (1) Immediately after the articles of association and
28 request for approval have been filed, as provided for by subsection (4)
29 of section 3 of this act, the clerk of the city or village where the
30 articles are filed shall schedule a hearing to be held within ninety days
31 after the date of such filing by the city council or village board of

1 trustees regarding formation of the proposed community improvement
2 district and any objections to such formation.

3 (2) The city or village clerk shall publish a notice of association
4 in a newspaper of general circulation in the city or village and in the
5 proposed community improvement district in one publication at least sixty
6 days prior to the date of such hearing and in the four weekly
7 publications of such newspaper immediately preceding the date set for
8 such hearing, which notice shall set forth the following:

9 (a) That the articles of association have been filed in the office
10 of the city or village clerk and are available for inspection and the
11 purpose thereof;

12 (b) The date and time of the hearing scheduled regarding formation
13 of the proposed community improvement district and any objections thereto
14 and that any written objections regarding such community improvement
15 district shall be filed with the city or village clerk at least seven
16 calendar days prior to the date of such hearing;

17 (c) A description of the real estate proposed to be included in the
18 community improvement district and that the owner or owners of such real
19 estate will be affected by formation of such community improvement
20 district and rendered liable to taxation and special assessment in
21 accordance with law and in addition to any other taxes or assessments of
22 the city or village and other existing taxing entities, for the purpose
23 of construction, installation, improvement, equipping, maintenance, and
24 repair of public infrastructure in or related to such community
25 improvement district, and contracting with the city or village in which
26 the community improvement district is located or other political
27 subdivisions of this state for any public purpose;

28 (d) The names of the proposed trustees;

29 (e) The proposed aggregate maximum permitted levy rate for all
30 purposes, stated as an amount not to exceed per \$100 of taxable
31 valuation in such community improvement district, to be deposited and

1 held in the funds of the community improvement district and used for
2 general corporate purposes, including payment of principal of and
3 interest on any outstanding bonds, warrants, and other obligations of the
4 community improvement district; and

5 (f) That application has been made to the city or village to declare
6 to the district a community improvement district pursuant to the
7 Community Improvement District Act.

8 (3) The city or village clerk shall mail a copy of such notice of
9 association to the several owners of real estate in the proposed
10 community improvement district who have not signed the articles of
11 association. The notice shall be sent via certified mail service to the
12 last-known address of each such owner no later than ten days after
13 publishing the first notice of association, with a return receipt
14 requested showing to whom and where the notice was delivered and the date
15 of delivery.

16 **Sec. 5.** Any owner of real estate situated in the proposed community
17 improvement district who has not signed the articles of association and
18 who may object to the organization of the community improvement district
19 or to any one or more of the proposed trustees shall, at least seven
20 calendar days prior to the date of the hearing scheduled pursuant to
21 subsection (1) of section 4 of this act, file any such objection in
22 writing with the city or village clerk where the articles were filed,
23 stating (1) why such community improvement district should not be
24 organized and declared a public corporation in this state, (2) why the
25 owner's real estate should not be embraced in the limits of such
26 community improvement district, and (3) any objections to the proposed
27 trustees.

28 **Sec. 6.** (1) The hearing with respect to such application and any
29 objections scheduled pursuant to subsection (1) of section 4 of this act
30 shall be held by the city council or village board of trustees on the
31 date and time provided in the notice of association. At the conclusion of

1 such hearing, subject to subsections (2) and (3) of this section, the
2 city council or village board of trustees may pass an ordinance which (a)
3 specifies the property included in the community improvement district,
4 (b) names five trustees as the board of trustees of such community
5 improvement district to serve until their successors are elected and
6 qualified pursuant to the Community Improvement District Act, (c)
7 specifies the maximum levy rate for all purposes stated as an amount not
8 to exceed per \$100 of taxable valuation in such community
9 improvement district, to be deposited and held in the funds of the
10 community improvement district and used for general corporate purposes,
11 including payment of principal of and interest on any outstanding bonds,
12 warrants, and other obligations of the community improvement district,
13 and (d) declares the community improvement district a duly formed
14 political subdivision and community improvement district pursuant to the
15 Community Improvement District Act. Such ordinance shall not be passed
16 unless and until all property included in such proposed community
17 improvement district is within the corporate limits of the city or
18 village.

19 (2) If any objection to the formation of such community improvement
20 district is filed by a property owner within the community improvement
21 district who did not sign the articles of association, the application
22 shall not be approved by the city council or village board of trustees
23 unless (a) the boundaries are amended to remove the property owned by
24 such objecting property owner or (b) the city council or village board of
25 trustees determines that inclusion of such property within the community
26 improvement district (i) is necessary to the public health or welfare of
27 the community improvement district and the city or village, or (ii) is
28 appropriate because such property will be specially benefited by public
29 infrastructure improvements expected to be made by the community
30 improvement district.

31 (3) In case of objection to any of the nominated trustees, the city

1 council or village board of trustees may identify and name other suitable
2 trustees to serve on the board of trustees of such community improvement
3 district who shall be (a) owners of real estate located in the community
4 improvement district or (b) designated to serve as representatives on the
5 board of trustees if the real estate is owned by a limited partnership, a
6 general partnership, a limited liability company, a public, private, or
7 municipal corporation, an estate, or a trust.

8 **Sec. 7.** A community improvement district shall be a body corporate
9 and politic by the name of Community Improvement District
10 Number of the (city or village) of and shall have
11 the power and authority to take and hold real and personal property
12 necessary for its use, to levy property taxes, to make contracts, to sue
13 and be sued, and to exercise any and all other powers, as a corporation,
14 necessary to carry out the purposes of the Community Improvement District
15 Act.

16 **Sec. 8.** Within forty-five days after a community improvement
17 district has been declared a public corporation by the city council or
18 village board of trustees, the clerk of the community improvement
19 district shall transmit to the Secretary of State a certified copy of the
20 record relating thereto, including a copy of the articles of association,
21 and the same shall be filed in the office of the Secretary of State in
22 the same manner as articles of incorporation are required to be filed
23 under the general law concerning corporations. A copy of such record,
24 including a copy of the articles of association and a plat of the
25 community improvement district, shall also be filed in the office of the
26 county clerk of the county in which the community improvement district,
27 or any part thereof, is situated.

28 **Sec. 9.** (1) Within thirty days after the city council or village
29 board of trustees has declared a community improvement district to be a
30 public corporation, the trustees appointed upon formation shall meet and
31 elect one of their number chairperson and one of their number clerk of

1 the community improvement district.

2 (2) Except as otherwise provided, the board of trustees shall:

3 (a) Keep a record of all of its proceedings which shall be open to
4 inspection by all owners of real estate in the community improvement
5 district;

6 (b) Have the power to pass all necessary resolutions, orders, rules,
7 and regulations for the necessary conduct of its business and to carry
8 into effect the objects for which the community improvement district was
9 formed; and

10 (c) Have the authority to appoint, employ, and pay accountants,
11 attorneys, engineers, municipal advisors, underwriters, and such other
12 professional or clerical help as may be needed, who shall each be
13 removable at the pleasure of the board or administrator.

14 (3) Upon the appointment of an administrator for the community
15 improvement district pursuant to sections 42 to 51 of this act, the
16 authority of the trustees to exercise the powers granted in this section
17 shall be suspended, except that the board shall continue in existence and
18 the administrator shall periodically, but not less frequently than
19 monthly, report to the board in writing on all decisions and actions
20 taken by the administrator in managing the affairs of the community
21 improvement district. The administrator shall, during the period of his
22 or her appointment, possess exclusive authority to exercise the powers
23 and duties conferred in the Community Improvement District Act.

24 **Sec. 10.** Within thirty days after the creation of a community
25 improvement district, the clerk of the community improvement district
26 shall file with the register of deeds, county clerk, and election
27 commissioner, of each county or counties in which the community
28 improvement district is located, a statement containing the following
29 information: (1) The community improvement district number; (2) the outer
30 boundaries of the community improvement district; (3) that the community
31 improvement district has the power to levy a property tax and indicate

1 the rate approved pursuant to section 6 of this act to pay its debt and
2 its expenses of operation and maintenance; (4) that the community
3 improvement district may levy special assessments on property in the
4 community improvement district to the full extent of special benefits
5 arising by reason of development improvements installed by the community
6 improvement district; (5) that the annual budget of the community
7 improvement district is filed with the Auditor of Public Accounts, which
8 budget shows the anticipated revenue and expenses, tax levy, and
9 indebtedness of the community improvement district; (6) that the actual
10 current tax levy amount of the community improvement district may be
11 obtained from each county in which the community improvement district is
12 located; and (7) that a copy of the annual financial audit of the
13 community improvement district is on file with the clerk of the community
14 improvement district and the Auditor of Public Accounts. Such statement
15 shall be supplemented and refiled to indicate any land added to or
16 removed from the community improvement district after the original
17 filing.

18 **Sec. 11.** The chairperson and clerk or administrator of any
19 community improvement district shall, upon assuming his or her respective
20 office, execute and file with the city or village clerk of the city or
21 village in which such community improvement district is located, a bond,
22 with one or more sureties, to be approved by the city or village clerk,
23 running to the State of Nebraska in the penal sum of five thousand
24 dollars for the chairperson, twenty thousand dollars for the clerk, and
25 twenty thousand dollars for the administrator, conditioned for the
26 faithful performance of their official duties and the faithful accounting
27 by them for all funds and property of the community improvement district
28 that shall come into their possession or control during their term of
29 office. The premium, if any, on any such bond shall be paid out of the
30 funds of the community improvement district. Suit may be brought on such
31 bonds by any person, firm, or corporation that has sustained loss or

1 damage in consequence of the breach thereof.

2 **Sec. 12.** (1) Except as provided in subsection (5) of section
3 84-1411, the clerk or administrator of each community improvement
4 district shall notify the city or village where such district is located
5 of all meetings of the community improvement district board of trustees
6 or called by the administrator by sending a notice of such meeting to the
7 clerk of the city or village not less than seven days prior to the date
8 set for any meeting. In the case of meetings called by the administrator,
9 notice shall be provided to the clerk of the community improvement
10 district not less than seven days prior to the date set for any meeting.

11 (2) Except as provided in subsection (5) of section 84-1411, within
12 the timeframe required by subsection (3) of section 84-1413, after any
13 meeting of a community improvement district board of trustees or called
14 by the administrator, the clerk or administrator of the community
15 improvement district shall transmit to the city or village where the
16 community improvement district is located a copy of the minutes of such
17 meeting.

18 **Sec. 13.** (1)(a) On or before December 31 of each year, the clerk of
19 each community improvement district shall file with the register of deeds
20 or the clerk of the city or village in which the community improvement
21 district is located a statement updated each December 31 containing the
22 following information:

23 (i) The names of the members of the current board of trustees of the
24 community improvement district;

25 (ii) The names of the following if applicable: Current attorney,
26 accountant, engineer, underwriter, and municipal advisor of the community
27 improvement district;

28 (iii) The warrant and the bond principal indebtedness of the
29 community improvement district as of the preceding June 30. Such
30 statement shall contain an acknowledgment that the warrant and
31 indebtedness are reflective of such date; and

1 (iv) The current tax levy of the community improvement district, as
2 described in section 21 of this act, as of December 31.

3 (b) For any late filing of the statement, the community improvement
4 district shall be assessed a late fee of ten dollars per day by the
5 register of deeds or the clerk of the city or village, not to exceed a
6 total of three hundred dollars for each late filing.

7 (2) The real estate broker or salesperson or, if none, the owner of
8 the real estate shall distribute the most recent statement filed in
9 accordance with this section to any prospective purchaser of any real
10 estate located within a community improvement district.

11 (3) The real estate broker or salesperson or, if none, the owner
12 shall obtain an acknowledgment from any purchaser of any real estate
13 located within a community improvement district that the purchaser
14 understands the property is located within a community improvement
15 district. Such acknowledgment may be obtained separately from the
16 disclosure required under section 76-2,120.

17 (4) The statement shall be distributed and the acknowledgment
18 obtained on or before the date on which the purchaser becomes obligated
19 to purchase such real estate. The exclusive remedy for failure to provide
20 such statements and obtain such acknowledgments shall be an action for
21 damages, and any such failure shall not affect title to the real estate
22 or the validity of the conveyance.

23 **Sec. 14.** (1)(a) On the first Tuesday after the second Monday in
24 September which is at least fifteen months after the city council or
25 village board of trustees passes the ordinance creating a community
26 improvement district and on the first Tuesday after the second Monday in
27 September each two years thereafter, the board of trustees shall cause a
28 special election to be held, at which election a board of trustees shall
29 be elected. The board of trustees shall have five members except as
30 provided in subsection (2) of this section. Each member elected to the
31 board of trustees shall be elected to a term of two years and shall hold

1 office until such member's successor is elected and qualified. Any person
2 desiring to file for the office of trustee may file for such office with
3 the election commissioner or county clerk of the county in which the
4 greater proportion in area of the community improvement district is
5 located not later than fifty days before the election. If such person
6 will serve on the board of trustees as a designated representative of a
7 limited partnership, general partnership, limited liability company,
8 public, private, or municipal corporation, estate, or trust which owns
9 real estate in the community improvement district, the filing shall
10 indicate that fact and shall include appropriate documentation evidencing
11 such fact. No filing fee shall be required. A person filing for the
12 office of trustee to be elected at the election held six years after the
13 first election of trustees and each election thereafter shall designate
14 whether such person is a candidate for election by the resident owners of
15 such community improvement district or a candidate for election by all of
16 the owners of real estate located in the community improvement district.
17 If a person filing for the office of trustee is a designated
18 representative of a limited partnership, a general partnership, a limited
19 liability company, a public, private, or municipal corporation, an
20 estate, or a trust which owns real estate in the community improvement
21 district, the name of such entity shall accompany the name of the
22 candidate on the ballot in the following form: (Name of candidate) to
23 represent (name of entity) as a member of the board. The name of each
24 candidate shall appear on only one ballot.

25 (b) The name of a person may be written in and voted for as a
26 candidate for the office of trustee, and such write-in candidate may be
27 elected to the office of trustee. A write-in candidate for the office of
28 trustee who will serve as a designated representative of a limited
29 partnership, a general partnership, a limited liability company, a
30 public, private, or municipal corporation, an estate, or a trust which
31 owns real estate in the community improvement district shall not be

1 elected to the office of trustee unless (i) each vote is accompanied by
2 the name of the entity which the candidate will represent and (ii) within
3 ten days after the date of the election the candidate provides the
4 election commissioner or county clerk with appropriate documentation
5 evidencing the candidate's representation of the entity. Votes cast which
6 do not carry such accompanying designation shall not be counted.

7 (c) A trustee shall be an owner of real estate located in the
8 community improvement district or shall be a person designated to serve
9 as a representative on the board of trustees if the real estate is owned
10 by a limited partnership, a general partnership, a limited liability
11 company, a public, private, or municipal corporation, an estate, or a
12 trust. Notice of the date of the election shall be mailed by the clerk of
13 the community improvement district not later than sixty-five days prior
14 to the election to each person who is entitled to vote at the election
15 for trustees whose property ownership or lease giving a right to vote is
16 of record on the records of the register of deeds as of a date designated
17 by the election commissioner or county clerk, which date shall be not
18 more than eighty days prior to the election.

19 (2)(a) For any community improvement district, a person whose
20 ownership or right to vote becomes of record or is received after the
21 date specified pursuant to subsection (1) of this section may vote when
22 such person establishes the right to vote to the satisfaction of the
23 election board appointed pursuant to section 15 of this act. At the first
24 election and at the election held two years after the first election, any
25 person may cast one vote for each trustee for each acre of unplatted land
26 or fraction thereof and one vote for each platted lot which such person
27 may own in the community improvement district.

28 (b) This subdivision applies to a community improvement district
29 until the board of trustees amends its articles of association pursuant
30 to subdivision (2)(d) of this section. At the election held six years
31 after the first election of trustees, two members of the board of

1 trustees shall be elected by the legal property owners resident within
2 such community improvement district and three members shall be elected by
3 all of the owners of real estate located in the community improvement
4 district pursuant to this section. Every resident property owner may cast
5 one vote for a candidate for each office of trustee to be filled by
6 election of resident property owners only. Such resident property owners
7 may also each cast one vote for each acre of unplatted land or fraction
8 thereof and for each platted lot owned within the community improvement
9 district for a candidate for each office of trustee to be filled by
10 election of all property owners. For each office of trustee to be filled
11 by election of all property owners of the community improvement district,
12 every legal property owner not resident within such community improvement
13 district may cast one vote for each acre of unplatted land or fraction
14 thereof and one vote for each platted lot which such legal property owner
15 owns in the community improvement district. At the election held eight
16 years after the first election of trustees and at each election
17 thereafter, three members of the board of trustees shall be elected by
18 the legal property owners resident within such community improvement
19 district and two members shall be elected by all of the owners of real
20 estate located in the community improvement district pursuant to this
21 section. If there are not any legal property owners resident within such
22 community improvement district or if not less than ninety percent of the
23 area of the community improvement district is owned for other than
24 residential uses, the five members shall be elected by the legal property
25 owners of all property within such community improvement district as
26 provided in this section.

27 (c) Any public, private, or municipal corporation owning any land or
28 lot in the community improvement district may vote at an election the
29 same as an individual. If more than fifty percent of the homes in any
30 community improvement district are used as a second, seasonal, or
31 recreational residence, the owners of such property shall be considered

1 legal property owners resident within such community improvement district
2 for purposes of electing trustees. For purposes of voting for trustees,
3 each condominium apartment under a condominium property regime
4 established under the Nebraska Condominium Act shall be deemed to be a
5 platted lot and the lessee or the owner of the lessee's interest, under
6 any lease for an initial term of not less than twenty years which
7 requires the lessee to pay taxes and special assessments levied on the
8 leased property, shall be deemed to be the owner of the property so
9 leased and entitled to cast the vote of such property. When ownership of
10 a platted lot or unplatted land is held jointly by two or more persons,
11 whether as joint tenants, tenants in common, limited partners, members of
12 a limited liability company, or any other form of joint ownership, only
13 one person shall be entitled to cast the vote of such property. The
14 executor, administrator, guardian, or trustee of any person or estate
15 interested shall have the right to vote. No corporation, estate, or
16 irrevocable trust shall be deemed to be a resident owner for purposes of
17 voting for trustees. Should two or more persons or officials claim the
18 right to vote on the same tract, the election board appointed pursuant to
19 section 15 of this act shall determine the party entitled to vote.

20 (d) For any community improvement district which has been in
21 existence for at least ten years, which has less than seventy property
22 owners entitled to vote for trustees, which has at least two resident
23 property owners, and in which less than ten percent of the area of the
24 community improvement district is owned for other than residential uses,
25 the board of trustees may amend its articles of association as provided
26 in section 23 of this act to provide for a reduction in the number of
27 trustees on the board from five members to three members to be effective
28 at the beginning of the term of office for the board of trustees elected
29 at the next election. At the next election and at each election
30 thereafter, two members of the board of trustees shall be elected by the
31 legal property owners resident within such community improvement district

1 and one member shall be elected by all of the owners of real estate
2 located in the community improvement district pursuant to this section.
3 Every resident property owner may cast one vote for a candidate for each
4 office of trustee to be filled by election of resident property owners
5 only. Such resident property owners may also each cast one vote for each
6 acre of unplatted land or fraction thereof and for each platted lot owned
7 within the community improvement district for a candidate for the office
8 of trustee to be filled by election of all property owners. For the
9 office of trustee to be filled by election of all property owners of the
10 community improvement district, every legal property owner not resident
11 within such community improvement district may cast one vote for each
12 acre of unplatted land or fraction thereof and one vote for each platted
13 lot which such legal property owner owns in the community improvement
14 district.

15 (3) The election commissioner or county clerk shall hold any
16 election required by subsection (1) of this section by sealed mail ballot
17 by notifying the board of trustees on or before July 1 of a given year.
18 The election commissioner or county clerk shall, at least twenty days
19 prior to the election, mail a ballot and return envelope to each person
20 who is entitled to vote at the election and whose property ownership or
21 lease giving a right to vote is of record with the register of deeds as
22 of the date designated by the election commissioner or county clerk,
23 which date shall not be more than eighty days prior to the election. The
24 ballot and return envelope shall include: (a) The names and addresses of
25 the candidates; (b) room for write-in candidates; and (c) instructions on
26 how to vote and return the ballot. Such ballots shall be returned in the
27 return envelope to the election commissioner or county clerk no later
28 than 5 p.m. on the date set for the election. If the ballot is not
29 returned in the return envelope, such ballot shall not be counted. If
30 more than one ballot is included in the same return envelope, such
31 ballots shall not be counted and shall be reinserted into the return

1 envelope which shall be resealed and marked rejected.

2 **Sec. 15.** (1)(a) At any election held to elect trustees of a
3 community improvement district, the ballots shall be received, counted,
4 and canvassed by an election board of two or more persons appointed by
5 the election commissioner or county clerk.

6 (b) Such board shall select one of their number as chairperson and
7 one of their number as clerk. In case of a vacancy on such board, a new
8 member shall be appointed pursuant to subdivision (a) of this subsection.

9 (2) For any community improvement district, the election
10 commissioner or county clerk shall certify the results of the election to
11 the community improvement district.

12 (3) If an election is contested involving a community improvement
13 district board of trustees, the Election Act shall apply.

14 **Sec. 16.** Not later than June first of each year, the election
15 commissioner or county clerk shall determine which community improvement
16 districts in the county are required to hold elections in such year and
17 shall so notify the clerk of each such community improvement district on
18 or before July first of such year. The entire costs of conducting the
19 election shall be borne by the community improvement district holding the
20 election, and such costs shall include all expenses such as procuring a
21 list of the property owners of record in each such community improvement
22 district, printing and mailing notices of the elections to such property
23 owners, printing, preparing, and mailing ballots, paying compensation and
24 mileage for the election boards conducting such elections, and also
25 indirect expenses, such as the pro rata amount of any additional clerical
26 expense or other miscellaneous expenses to be incurred by the election
27 commissioner or county clerk in conducting all of such elections to be
28 held in such calendar year. Within sixty days after the elections have
29 been held, each community improvement district shall be charged and
30 billed for all of the actual expenses incurred by the election
31 commissioner or county clerk attributable to such community improvement

1 district. Payment of the total amount billed to the community improvement
2 district shall be in currency and made by the attorney for the community
3 improvement district to the election commissioner or county clerk within
4 sixty days after receipt of such billing.

5 **Sec. 17.** Notwithstanding the appointment of an administrator for
6 any community improvement district pursuant to sections 42 to 51 of this
7 act, special elections shall be held for the election of members of the
8 board of trustees for such community improvement district in the same
9 manner and at the same time as such elections would be held under
10 sections 14 and 15 of this act. In a community improvement district for
11 which such an administrator has been appointed when the board of trustees
12 of such community improvement district is not functioning, the
13 administrator shall cause a special election of trustees to be held
14 within sixty days after the issuance of a certificate of appointment of
15 such administrator, at which election a board of trustees shall be
16 elected to a term of office which shall expire on the first Tuesday of
17 the second September following the appointment of such administrator. The
18 board of trustees shall have five members unless the board has amended
19 its articles of association to decrease the number of trustees on the
20 board to three members pursuant to subdivision (2)(d) of section 14 of
21 this act.

22 **Sec. 18.** A community improvement district may acquire by purchase,
23 condemnation, or otherwise, real or personal property, right-of-way, and
24 privilege, within or without its corporate limits, necessary for its
25 corporate purposes. Such acquisition by the community improvement
26 district may be effected only after approval by the city or village
27 having zoning jurisdiction over such property. The approval of plans and
28 specifications for the public improvement or project, or the approval of
29 plans and exact costs for public parks, playgrounds, and recreational
30 facilities, as required by section 22 of this act, shall be deemed to be
31 approval for the acquisition by the community improvement district of

1 such fee title, easements, or other interests in such property as may be
2 required for the public improvement or project.

3 **Sec. 19.** Subject to the limitations related to state property set
4 out in subsection (2) of section 20 of this act, whenever the board of
5 trustees or administrator of any community improvement district shall by
6 order determine to make any public improvement under the provisions of
7 the Community Improvement District Act which shall require that private
8 property be taken or damaged, the community improvement district may
9 exercise the power of eminent domain. The procedure to condemn property
10 shall be exercised in the manner set forth in sections 76-704 to 76-724.
11 Such taking by the community improvement district may be effected only
12 after approval by the city or village having any zoning jurisdiction over
13 such property.

14 **Sec. 20.** (1) Whenever it shall be necessary, in making any
15 improvement under the provisions of the Community Improvement District
16 Act, to enter upon or cross any state or public lands, the community
17 improvement district shall have the right to acquire a right-of-way
18 across the same by the exercise of the power of eminent domain.

19 (2) The power of eminent domain provided under the Community
20 Improvement District Act does not extend to the following:

21 (a) The facilities, assets, or services of a jurisdictional utility
22 as defined in section 66-1802; and

23 (b) The condemnation of property rights of a state highway or state-
24 owned property or facility. Any proposed changes in a community
25 improvement district to a state highway or state-owned property shall not
26 be the responsibility of the state and shall be paid for by the developer
27 or the city or village. The board of trustees or administrator of the
28 community improvement district shall coordinate with the Department of
29 Transportation for highways, or the applicable state agency for other
30 state-owned property, concerning the proposed revisions to these
31 properties in the community improvement district, and all concerns raised

1 by the state shall be resolved or addressed by the board of trustees or
2 administrator of the community improvement district in a manner
3 acceptable to the state.

4 **Sec. 21.** (1) The community improvement district shall have the
5 power to annually levy a tax on the taxable value of the taxable property
6 in the community improvement district at an aggregate rate not to exceed
7 the levy rate specified in the articles of organization and approved by
8 ordinance of the city or village pursuant to section 6 of this act, the
9 proceeds of which shall be deposited to and held in the general fund,
10 bond fund, or other fund or account established as determined by the
11 board of trustees of such community improvement district, and used for
12 payment of bonds and warrants, and other general corporate purposes of
13 the community improvement district as permitted by the Community
14 Improvement District Act.

15 (2) The county treasurer of the county in which the greater portion
16 of the area of the community improvement district is located shall be ex
17 officio treasurer of the community improvement district and shall be
18 responsible for all funds of the community improvement district coming
19 into his or her hands. As treasurer of the community improvement district
20 he or she shall (a) establish such funds and accounts on behalf of the
21 community improvement district as he or she determines necessary or
22 appropriate at the direction of the board of trustees of the community
23 improvement district and (b) collect all taxes and special assessments
24 levied by the community improvement district and deposit the same in the
25 appropriate funds and accounts of the community improvement district for
26 the payment of principal and interest on any bonds, warrants, and other
27 obligations outstanding and for general corporate purposes of the
28 community improvement district, all in accordance with action of the
29 board of trustees of the community improvement district.

30 (3) The treasurer of the community improvement district shall not be
31 responsible for funds of the community improvement district until they

1 are received by him or her. The treasurer of the community improvement
2 district shall disburse the funds of the community improvement district
3 upon the direction of the trustees or the administrator and signed by the
4 chairperson and clerk of the community improvement district or the
5 administrator, including issuance of warrants and other action of the
6 board of trustees.

7 **Sec. 22.** (1) The board of trustees or the administrator of any
8 community improvement district organized under the Community Improvement
9 District Act shall have power to:

10 (a) Construct, install, improve, equip, maintain, and repair public
11 infrastructure in or related to such community improvement district; and

12 (b) Contract with the city or village or other political subdivision
13 in which such community improvement district is located for any public
14 purpose of such community improvement district, city or village, or other
15 political subdivision.

16 (2) Prior to the installation of any of the public infrastructure or
17 entering into a contract for any capital improvement with another
18 political subdivision, the plans or contracts for such improvements or
19 services and estimated costs shall be approved by the city or village in
20 which the community improvement district is located. The community
21 improvement district shall obtain approval of such plans for such
22 improvements, and any changes thereto, from the city or village in which
23 the community improvement district is located, and such city or village
24 shall enforce compliance with such plans by action in equity.

25 (3)(a) Each community improvement district shall have the books of
26 account kept by the board of trustees of the community improvement
27 district examined and audited by a certified public accountant or a
28 public accountant for the year ending June 30 and shall file a copy of
29 the audit with the office of the Auditor of Public Accounts by December
30 31 of the same year. Such audits may be waived by the Auditor of Public
31 Accounts upon proper showing by the community improvement district that

1 the audit is unnecessary. Such examination and audit shall show the
2 following:

3 (i) The gross income of the community improvement district from all
4 sources for the previous year;

5 (ii) The amount expended each year for (A) maintenance and repairs,
6 (B) new equipment, (C) new construction work, and (D) property purchased;

7 (iii) A detailed statement of all items of expense;

8 (iv) The total amount of taxes levied upon the property within the
9 community improvement district; and

10 (v) All other facts necessary to give an accurate and comprehensive
11 view of the cost of carrying on the activities and work of such community
12 improvement district.

13 (b) The reports of all audits provided for in this subsection shall
14 be and remain a part of the public records in the office of the Auditor
15 of Public Accounts. The expense of such audits shall be paid out of the
16 funds of the community improvement district. The Auditor of Public
17 Accounts shall be given access to all books and papers, contracts,
18 minutes, bonds, and other documents and memoranda of every kind and
19 character of such community improvement district and be furnished all
20 additional information possessed by any present or past officer or
21 employee of any such community improvement district, or by any other
22 person, that is essential to the making of a comprehensive and correct
23 audit.

24 (4) If any community improvement district fails or refuses to cause
25 such annual audit to be made of all of its functions, activities, and
26 transactions for the fiscal year within a period of six months following
27 the close of such fiscal year, unless such audit has been waived, the
28 Auditor of Public Accounts may, after due notice and a hearing to show
29 cause by such community improvement district, conduct an audit of the
30 community improvement district pursuant to section 84-304 or assess the
31 community improvement district a fee pursuant to subsection (2) of

1 section 84-304.01.

2 (5) Whenever the sanitary sewer system or any part thereof of a
3 community improvement district is directly or indirectly connected to the
4 sewerage system of any city or village, such city or village, without
5 enacting an ordinance or adopting any resolution for such purpose, may
6 collect such city's or village's applicable rental or use charge from the
7 users in the community improvement district and from the owners of the
8 property served within the community improvement district. The charges of
9 such city or village shall be charged to each property served by the city
10 or village sewerage system, shall be a lien upon the property served, and
11 may be collected from the owner or the person, firm, or corporation using
12 the service. If the city's or village's applicable rental or service
13 charge is not paid when due, such sum may be recovered by the city or
14 village in a civil action or it may be assessed against the premises
15 served as a special assessment and may be assessed by such city or
16 village and collected and returned in the same manner as other municipal
17 special assessments are enforced and collected. When any such assessment
18 is levied, it shall be the duty of the city or village clerk to deliver a
19 certified copy of the ordinance to the county treasurer of the county in
20 which the premises assessed are located and such county treasurer shall
21 collect the assessment as provided by law and return the assessment to
22 the city or village treasurer. Funds of such city or village raised from
23 such charges shall be used by it in accordance with laws applicable to
24 its sewer service rental or charges. The governing body of any city or
25 village may make all necessary rules and regulations governing the direct
26 or indirect use of its sewerage system by any user and premises within
27 any community improvement district and may establish just and equitable
28 rates or charges to be paid to such city or village for use of any of its
29 disposal plants and sewerage system. The board of trustees may, in
30 connection with the issuance of any warrants or bonds of the community
31 improvement district, agree to make a specified minimum levy on taxable

1 property in the community improvement district to pay, or to provide a
2 sinking fund to pay, principal and interest on warrants and bonds of the
3 community improvement district for such number of years as the board may
4 establish at the time of making such agreement and may agree to enforce,
5 by foreclosure or otherwise as permitted by applicable laws, the
6 collection of special assessments levied by the community improvement
7 district. Such agreements may contain provisions granting to creditors
8 and others the right to enforce and carry out the agreements on behalf of
9 the community improvement district and its creditors.

10 (6) The board of trustees or administrator shall have power to sell
11 and convey real and personal property of the community improvement
12 district on such terms as it or he or she shall determine, except that
13 real estate shall be sold to the highest bidder at public auction after
14 notice of the time and place of the sale has been published for three
15 consecutive weeks prior to the sale in a newspaper of general circulation
16 in the city or village. The board of trustees or administrator may reject
17 such bids and negotiate a sale at a price higher than the highest bid at
18 the public auction at such terms as may be agreed.

19 (7) A community improvement district shall be subject to all
20 regulatory authority, zoning jurisdiction, and other jurisdictional
21 provision of the city or village in which such community improvement
22 district is located. Each community improvement district shall have and
23 the board of trustees may exercise, subject to the regulatory
24 jurisdiction and permitting authority of such city or village and all
25 other applicable governing bodies and agencies having authority with
26 respect to any area included in the community improvement district, the
27 powers relating to public infrastructure and other improvements provided
28 in this section and authorized by the Community Improvement District Act.

29 **Sec. 23.** Whenever a majority of the board of trustees shall deem it
30 advisable to amend the articles of association of the community
31 improvement district to change the maximum permitted levy rate, and after

1 a proposed amendment to the articles of association has been signed by a
2 majority of the owners having an interest in the real property within the
3 limits of the community improvement district, the community improvement
4 district clerk shall file an application for such amendment with the city
5 or village clerk with a request that the maximum permitted levy rate be
6 changed, all in the same manner as approval of the initial articles of
7 association pursuant to the Community Improvement District Act. The city
8 or village clerk shall process any such request in the same manner as an
9 initial application for approval of articles of association, shall
10 schedule a hearing, publish notices, and mail notices to any owner of
11 property in the community improvement district who did not sign the
12 proposed amendment, and such city council or village board of trustees
13 may approve the proposed amendment by ordinance in a similar manner to
14 the initial articles of association as provided in section 6 of this act.

15 **Sec. 24.** All contracts for construction work to be done or
16 materials or equipment purchased, the expense of which is more than fifty
17 thousand dollars, shall be let to the lowest responsible bidder, upon
18 notice of not less than twenty days, of the terms and conditions of the
19 contract to be let. The board of trustees or the administrator shall have
20 the power to reject any and all bids and readvertise for the letting of
21 such work or to negotiate any contract after an unsuccessful public
22 letting.

23 **Sec. 25.** (1) Whenever the board of trustees or the administrator
24 deems it advisable or necessary to build, reconstruct, purchase, or
25 otherwise acquire public infrastructure improvements or to incur other
26 costs permitted by the Community Improvement District Act, the board of
27 trustees shall declare the advisability and necessity therefor in a
28 proposed resolution.

29 (2) Such proposed resolution of necessity shall refer to the plans
30 and specifications for the proposed improvements, proposed agreements or
31 contracts, together with the estimated cost thereof which have been made

1 and filed with the community improvement district clerk before the
2 publication of such resolution. The proposed resolution shall state the
3 amount of such estimated cost.

4 (3) Except as provided in subsection (4) of this section, the board
5 of trustees or the administrator may assess, to the extent of special
6 benefits, the cost of such improvements upon properties specially
7 benefited thereby. The resolution shall state the outer boundaries of the
8 area within the community improvement district in which it is proposed to
9 make special assessments.

10 (4) Notwithstanding anything to the contrary in the Community
11 Improvement District Act, a community improvement district shall not
12 specially assess the cost of public infrastructure for redevelopment
13 unless and until such community improvement district has obtained prior
14 approval by resolution of the city council or village board of trustees.

15 **Sec. 26.** (1) Notice of the time and place, which place shall be in
16 the city or village where the community improvement district is
17 organized, when any resolution proposed under section 25 of this act
18 shall be set for consideration before the board of trustees or the
19 administrator, shall be given the same day each week two consecutive
20 weeks in a newspaper of general circulation published in the city or
21 village where the community improvement district was organized, which
22 publication shall contain the entire wording of the proposed resolution.
23 The last publication shall not be less than five days nor more than two
24 weeks prior to the time set for hearing on objections to the adoption of
25 any such proposed resolution, at which hearing the owners of the property
26 which might become subject to assessment for the contemplated improvement
27 may appear and make objections to the proposed improvement. Thereupon the
28 resolution may be amended and adopted or adopted as proposed.

29 (2) If a petition opposing the proposed resolution, signed by
30 property owners representing a majority of the front footage which may
31 become subject to assessment for the cost of any improvements as set

1 forth by the proposed resolution, is filed with the clerk of the
2 community improvement district within three days before the date of the
3 meeting for the hearing on such proposed resolution, such proposed
4 resolution shall not be adopted.

5 **Sec. 27.** Upon compliance with sections 25 and 26 of this act, the
6 board of trustees or the administrator may by resolution order the
7 contracting, making, reconstruction, purchase, or otherwise acquiring of
8 any of the improvements provided for in the Community Improvement
9 District Act.

10 **Sec. 28.** After ordering any such improvements, other than payment
11 of contracts to other political subdivisions, as provided in the
12 Community Improvement District Act, the board of trustees or the
13 administrator may enter into a contract for the construction of such
14 improvement in one or more contracts, but no work shall be done or
15 contract let until notice to contractors has been published in a legal
16 newspaper of general circulation in the city or village where the
17 community improvement district is organized. The notice shall be
18 published the same day each week two consecutive weeks in such newspaper
19 and shall generally state (1) the extent of the work, (2) the kinds of
20 material to be bid upon, including in such notice all kinds of material
21 mentioned in the resolution as provided in section 25 of this act, (3)
22 the amount of the engineer's estimate of the cost of such improvements,
23 (4) the time when bids will be received, and (5) the amount of the
24 certified check or bid bond required to accompany the bids. Each bid
25 shall be accompanied in a separate sealed envelope by a certified check
26 or bid bond in an amount to be named in the notice, which amount shall be
27 not less than five percent of the engineer's total estimate of the cost,
28 and shall be made payable to the treasurer of the community improvement
29 district as security that the bidder to whom the contract may be awarded
30 will enter into a contract to build the improvements in accordance with
31 the notice to contractors and give bond in the sum named in such notice

1 for the construction of such improvements as the notice required. Checks
2 or bonds accompanying bids not accepted shall be returned to the bidders.
3 The work provided for in this section shall be done under written
4 contract with the lowest responsible bidder on the material selected
5 after the bids are opened and in accordance with the requirements of the
6 plans and specifications. The board of trustees or the administrator may
7 reject any or all bids received and advertise for new bids in accordance
8 with this section.

9 **Sec. 29.** If the contractor has furnished the community improvement
10 district all required records and reports, the community improvement
11 district shall pay the contractor interest at the rate specified in
12 section 39-1349, as such rate may from time to time be adjusted by the
13 Legislature, on any contract amount retained and the final payment due
14 the contractor beginning twenty days after completion of the work covered
15 by the contract under section 28 of this act. The contractor shall notify
16 the community improvement district in writing that the work has been
17 completed and the community improvement district, within twenty days
18 after receipt of such notice, shall give written notice to the contractor
19 of any objections by the community improvement district to acceptance of
20 the work.

21 **Sec. 30.** (1) After the completion of any work or purchase, the
22 engineer shall file with the clerk of the community improvement district,
23 and the clerk of the city or village, a certificate of acceptance. Such
24 work or purchase shall be considered accepted only after approval by the
25 city or village, and then by the board of trustees or the administrator
26 by resolution.

27 (2) Upon approval of the certificate of acceptance, if the board of
28 trustees determines special assessments are to be levied, the board of
29 trustees or administrator shall require the engineer to make a complete
30 statement of all the costs of any such improvements, a plat of the
31 property in the community improvement district, and a schedule of the

1 amount proposed to be assessed against each separate piece of property in
2 such community improvement district. The statement, plat, and schedule
3 shall be filed with the clerk of the community improvement district
4 within sixty days after the date of acceptance.

5 (3) The board of trustees or administrator shall set a time and
6 place for a hearing on the proposed assessments as provided in subsection
7 (6) of this section, then order the clerk of the community improvement
8 district to give notice of such hearing and that such statement, plat,
9 and schedules are on file in his or her office and that all objections
10 thereto or to prior proceedings on account of errors, irregularities, or
11 inequalities not made in writing and filed with the clerk of the
12 community improvement district within twenty days after the first
13 publication of such notice shall be deemed to have been waived. Such
14 notice shall be given by publication the same day each week two
15 consecutive weeks in a newspaper of general circulation published in the
16 city or village where the community improvement district was organized.
17 Such notice shall state the time and place where any objections, filed as
18 provided in this section, shall be considered by the board of trustees or
19 administrator.

20 (4) The cost of such improvements in the community improvement
21 district shall be levied as special assessments to the extent of special
22 benefits to the property. The complete statement of costs and the
23 schedule of proposed special assessments for such improvements shall be
24 given to the city or village where such community improvement district is
25 located within seven days after the first publication of notice of
26 statement, plat, and schedules. The city or village shall have the right
27 to be heard, and shall have the right of appeal from a final
28 determination by the board of trustees or administrator against
29 objections which such city or village has filed.

30 (5) Notice of the proposed special assessments for such improvements
31 against each separate piece of property shall be given to each owner of

1 record thereof within five days after the first publication of notice of
2 statement, plat, and schedules and, within five days after the first
3 publication of such notice, a copy thereof, along with statements of
4 costs and schedules of proposed special assessments, shall be given to
5 each person or company who, pursuant to written contract with the
6 community improvement district, has acted as underwriter or municipal
7 advisor for the community improvement district in connection with the
8 sale or placement of warrants or bonds issued by the community
9 improvement district. Each owner shall have the right to be heard and
10 shall have the right of appeal from the final determination made by the
11 board of trustees or administrator.

12 (6) The hearing on the proposed assessment shall be held by the
13 board of trustees or the administrator sitting as a board of adjustment
14 and equalization at the time and place specified in such notice and not
15 less than twenty days nor more than thirty days after the date of the
16 first publication, unless such session be adjourned, with provisions for
17 proper notice of such adjournment. At such meeting, the proposed
18 assessments shall be adjusted and equalized with reference to benefits
19 resulting from the improvement and shall not exceed such benefits.

20 **Sec. 31.** Any person or any city or village aggrieved may appeal to
21 the district court by filing a petition within twenty days after the
22 final determination under section 30 of this act. The court shall hear
23 and determine the appeal in a summary manner as in equity, without a
24 jury, and shall increase or reduce the special assessments as necessary
25 to ensure that the special assessments are in the full amount of the
26 special benefits and that the apportionment of benefits is equitable.

27 **Sec. 32.** (1) After the equalization of such special assessments as
28 required by the Community Improvement District Act, such special
29 assessments shall be levied by the board of trustees or the administrator
30 upon all lots or parcels of ground within the community improvement
31 district which are benefited by reason of such improvement, such levy to

1 be made within six months after acceptance of the improvement by the
2 board of trustees or the administrator. Failure to levy assessments
3 within such six-month period shall not invalidate assessments made after
4 the six-month period. Such special assessments may be relieved, if for
5 any reason the levy thereof is void or not enforceable. Such levy shall
6 be enforced as other special assessments and any payments thereof under
7 previous levies shall be credited to the person or property making the
8 same. Not less than eleven and not more than twenty days after the
9 levying of any special assessment, the clerk of the community improvement
10 district shall certify such levy to the county treasurer and county clerk
11 of the county.

12 (2) If a notice of appeal from such levy has been filed with the
13 clerk of the community improvement district, he or she shall note on the
14 certificate of levy that an appeal has been commenced and that the
15 amounts of the assessments are subject to redetermination pursuant to the
16 appeal. All receipts given by the county treasurer for special
17 assessments as to which an appeal is pending shall show thereon that the
18 special assessment amount is subject to redetermination by the appeal.
19 Upon termination of any appeal, the clerk of the community improvement
20 district shall so certify to the county clerk and county treasurer. All
21 assessments made for such purposes shall be collected in the same manner
22 as general taxes and shall be subject to the same penalties or may be
23 collected pursuant to section 77-1917.01.

24 **Sec. 33.** (1) The board of trustees or the administrator shall not
25 cause the following property to be assessed for any of the improvements
26 provided for in the Community Improvement District Act: (a) Property by
27 law not assessable, (b) property not included within the area defined in
28 the preliminary resolution, and (c) property not benefited.

29 (2) The exemption in subsection (1) of this section does not apply
30 if the exempt property has been specially benefited by the improvements.
31 In such cases, the owner of such property shall pay the community

1 improvement district a sum equivalent to the amount the property has been
2 specially benefited, which amount may be recovered by the community
3 improvement district in an action against the property owner. If the
4 parties do not agree as to the amount of the special benefits, the amount
5 may be determined by the district court in an action brought by the
6 community improvement district for such purpose.

7 (3) The board of trustees or the administrator may find that any
8 part or all of such improvements made are of general benefit to the
9 community improvement district, and the board or administrator may levy
10 special assessments on all lots, parcels, or pieces of real estate
11 specially benefited to the extent of the special benefits to such
12 property. The cost of such improvements shall be paid from the
13 assessments levied against all the property in the community improvement
14 district, in the manner provided by section 36 of this act, or may be
15 paid from unappropriated money in its general fund. The cost of the
16 improvements shall draw interest at the rate of six percent per annum
17 from the date of acceptance thereof by the board or administrator until
18 warrants are issued for, or payment is otherwise provided, in payment of
19 the contract price.

20 **Sec. 34.** All special assessments provided for in section 32 of this
21 act shall become due in fifty days after the date of the levy and may be
22 paid within that time without interest, but if not so paid they shall
23 bear interest thereafter on a per annum basis until delinquent at the
24 greater of (1) the rate of interest accruing on warrants registered
25 against such community improvement district sixty days prior to the
26 actual levy of the special assessments or (2) the average rate of
27 interest accruing on the warrants issued to pay for the improvements for
28 which the special assessments are to be levied adjusted to the next
29 greater one-half percent. Such assessments shall become delinquent in
30 equal annual installments over such periods of years, not exceeding
31 twenty, as the board of trustees or the administrator may determine at

1 the time of making the levy. Delinquent installments shall bear interest
2 at the rate of two percent per annum above the rate set by the community
3 improvement district on such installments before delinquency, except that
4 no such rate shall exceed the rate specified in section 45-104.01, as
5 such rate may from time to time be adjusted by the Legislature. If three
6 or more installments shall be delinquent, the board of trustees or the
7 administrator may declare all of the remaining installments to be at once
8 delinquent and such installments declared delinquent shall bear interest
9 at the rate specified in section 45-104.01, as such rate may from time to
10 time be adjusted by the Legislature, until paid and may be collected the
11 same as other delinquent installments may be collected.

12 **Sec. 35.** All special assessments provided by the Community
13 Improvement District Act and all connection charges collected shall, when
14 levied, constitute a sinking fund for the purpose of paying the cost of
15 the improvements provided for in the Community Improvement District Act
16 with allowable interest thereon and shall be solely and strictly applied
17 to such purpose to the extent required. Any excess thereof may be by the
18 board or the administrator, after fully discharging the purposes for
19 which levied, transferred to such other fund or funds as the board of
20 trustees or the administrator may deem advisable.

21 **Sec. 36.** (1) For the purpose of paying the cost of public
22 infrastructure improvements and other corporate purposes as provided for
23 in the Community Improvement District Act, the board of trustees or the
24 administrator shall have the power to issue negotiable bonds of any such
25 community improvement district, to be called community improvement
26 district bonds, payable in not to exceed thirty years, and payable from
27 the maximum levy approved in the articles of association of the community
28 improvement district and other available funds. Each issue of bonds shall
29 mature or be subject to mandatory redemption so that the first principal
30 repayment is made not more than five years after the date of issuance and
31 so that at least twenty percent of the community improvement district's

1 bonds then outstanding shall be repaid within ten years after the date of
2 issuance. Such bonds shall bear interest payable annually or
3 semiannually. Such bonds may either be sold by the community improvement
4 district or delivered to the contractor in payment for the work but in
5 either case for not less than their par value. For the purpose of making
6 partial payments as the work progresses, warrants may be issued by the
7 board of trustees or the administrator upon certificates of the engineer
8 in charge showing the amount of work completed and materials necessarily
9 purchased and delivered for the orderly and proper continuation of the
10 project, in a sum not to exceed ninety-five percent of the cost thereof.

11 (2)(a) Warrants issued for capital outlays of the community
12 improvement district shall become due and payable not later than five
13 years from the date of issuance.

14 (b) A default on the bonds or warrants of a community improvement
15 district shall not constitute a debt or obligation of the city or village
16 where such community improvement district is located, the county, or the
17 state.

18 (3) Warrants issued for operation and maintenance expenses of the
19 community improvement district shall be issued not later than sixty days
20 following the date upon which the community improvement district is in
21 receipt of a bill for the amount of operation or maintenance expenses
22 owed, and such warrants shall become due and payable not later than three
23 years from the date of issuance. If a warrant for operation or
24 maintenance expenses is not issued within such sixty-day period, the
25 amount owed by the community improvement district shall bear interest
26 from the sixty-first day until the date upon which the warrant is issued
27 at a rate equivalent to one and one-half times the rate specified in
28 subsection (2) of section 45-104.02. The community improvement district
29 shall agree to pay annual or semiannual interest on all capital outlay
30 warrants issued by the community improvement district and shall issue
31 warrants to pay such interest or shall issue its warrants in return for

1 cash to pay such interest. Warrant interest not paid when due for lack of
2 funds shall be registered, bear interest, and be paid the same as is
3 provided in section 10-209 for bond coupons.

4 (4) The community improvement district may, if determined
5 appropriate by the board of trustees or the administrator, pay fees to
6 attorneys, municipal advisors, underwriters, and other professionals in
7 connection with the placement and registration of ownership of warrants
8 issued by the community improvement district.

9 (5) The board of trustees or the administrator may levy special
10 assessments on all lots, parcels, or pieces of real estate benefited by
11 the improvement to the extent of the benefits to such property. The
12 special assessments when collected shall be set aside and constitute a
13 sinking fund for the payment of the interest and principal of such bonds,
14 warrants, and other obligations of the community improvement district.

15 (6) In addition to the special assessments provided for in this
16 section, there shall be levied annually a tax upon the taxable value of
17 all the taxable property in such community improvement district which,
18 together with such sinking fund derived from special assessments, shall
19 be sufficient to meet payments of interest and principal on all bonds as
20 such become due, subject to the overall limit on the tax levy rate of
21 such community improvement district established upon formation of such
22 community improvement district. Such tax levy shall be known as the
23 community improvement district bond tax levy and shall be paid annually.

24 (7)(a) The board of trustees of any community improvement district
25 may provide for the publication of any resolution or other proceeding
26 adopted by it pursuant to the Community Improvement District Act in a
27 newspaper of general circulation published in the city or village where
28 the community improvement district is located. In the case of a
29 resolution or other proceeding providing for the issuance of bonds,
30 warrants, or other obligations, pursuant to the Community Improvement
31 District Act, the board of trustees or clerk of such community

1 improvement district may, either before or after the adoption of such
2 resolution or resolutions or other proceeding, in lieu of publishing the
3 entire resolution or resolutions or other proceeding, publish a notice of
4 intention to issue bonds, warrants, or other obligations under the
5 Community Improvement District Act, titled to indicate such intention,
6 containing:

7 (i) The name of the community improvement district;

8 (ii) The estimated principal amount of bonds, warrants, or other
9 obligations proposed to be issued and the timeframe when such issuance or
10 issuances are expected to occur;

11 (iii) The proposed or estimated principal maturity schedule or term
12 for such bonds, warrants, or other obligations;

13 (iv) The maximum rate of interest payable on any maturity of such
14 bonds, warrants, or other obligations; and

15 (v) The times and place where a copy of the form of resolution or
16 other proceeding providing for the issuance of the bonds, warrants, or
17 other obligations may be examined, which shall be located in the city or
18 village where the community improvement district is located or in the
19 office of the county clerk in the county where such community improvement
20 district is located, for a period of at least thirty days after the
21 publication of such notice. In the case of a notice regarding issuance of
22 warrants, the notice may include warrants expected to be approved by
23 multiple future resolutions or other proceedings and the form of
24 resolution or other proceedings may be general forms for such issuance.

25 (b) For a period of thirty days after such publication, any
26 interested person shall have the right to contest (i) the legality and
27 validity of each and all of the proceedings for the organization of such
28 community improvement district under the Community Improvement District
29 Act, from and including the petition for the organization of the
30 community improvement district, and all other proceedings which may
31 affect the legality or validity of the bonds, warrants, or other

1 obligations and the order of the sale and the sale thereof, (ii) any
2 provisions made for the security and payment of such bonds, warrants, or
3 other obligations, or (iii) any contract of purchase, sale, or lease
4 relating to the issuance of such bonds, warrants, or other obligations.
5 After such time no one shall have any cause of action to contest the
6 regularity, formality, or legality thereof for any cause whatsoever.

7 **Sec. 37.** (1) The community improvement district may be enlarged and
8 additional territory annexed to the community improvement district.
9 Initiation of any such enlargement shall be by petition filed with the
10 clerk of the community improvement district, signed by persons owning not
11 less than fifty percent of the area to be annexed. Upon approval by the
12 board of trustees of such community improvement district, the clerk of
13 the community improvement district shall file (a) an application for such
14 annexation with the city or village clerk with a request that the
15 annexation be approved, all in the same manner as approval of the initial
16 articles of association of such community improvement district pursuant
17 to the Community Improvement District Act and (b) notify the county
18 clerk, election commissioner, and register of deeds of each county or
19 counties in which the community improvement district is located of the
20 proposed annexation. The city or village clerk shall process any such
21 application in the same manner as an initial application for approval of
22 the articles of association for such community improvement district and
23 shall schedule a hearing, publish notices, and mail notices to any owner
24 of property in the area proposed to be annexed who did not sign the
25 petition for annexation. The city council or village board of trustees
26 may approve the proposed amendment by ordinance in a similar manner to
27 the initial articles of association as provided in the Community
28 Improvement District Act.

29 (2) All property, from and after annexation to the community
30 improvement district as provided in subsection (1) of this section, shall
31 be subject to all taxes and other burdens thereafter levied by the

1 community improvement district, regardless of when the obligation for
2 which the taxes or assessments are levied was incurred.

3 **Sec. 38.** (1) Whenever a majority of the board of trustees or the
4 administrator of any community improvement district organized under the
5 Community Improvement District Act desires that the community improvement
6 district shall be wholly dissolved, the trustees or administrator shall
7 first propose a resolution declaring the advisability of such dissolution
8 and setting out verbatim the terms and conditions thereof, and also
9 setting out the time and place when the board of trustees or
10 administrator shall meet to consider the adoption of such resolution.
11 Notice of the time and place when the resolution shall be set for
12 consideration shall be delivered to the city or village clerk and the
13 county clerk, election commissioner, and register of deeds of each county
14 or counties in which the community improvement district is located at
15 least forty-five days prior to such date. Notice of the time and place
16 when the resolution shall be set for consideration shall be published the
17 same day each week for two consecutive weeks in a newspaper of general
18 circulation published in the city or village where the community
19 improvement district was organized, which publication shall contain the
20 entire wording of the proposed resolution. The trustees or administrator
21 shall mail a copy of such proposed resolution to any city or village in
22 which any part of the community improvement district is located within
23 five days after the date of first publication of the resolution. The last
24 publication shall be not less than five days nor more than two weeks
25 prior to the time set for hearing on objections to the passage of the
26 resolution, at which hearing the owners of property within the community
27 improvement district, or any city or village in which any part of the
28 community improvement district is located, may appear and make objections
29 to the proposed resolution.

30 (2) If (a) a petition opposing the proposed resolution of
31 dissolution is signed by property owners representing a majority of the

1 area of real estate within the community improvement district or (b) a
2 resolution is adopted by the city council or village board of trustees
3 opposing such dissolution and either is presented to the board of
4 trustees or the administrator on or prior to the hearing date, then the
5 board of trustees or the administrator shall not adopt such resolution.

6 (3) If the owners representing a majority of the area of real estate
7 within the community improvement district fail to sign and present to the
8 board or to the administrator, on or prior to the hearing date, a written
9 petition opposing the proposed resolution of dissolution, or if a
10 resolution opposing such dissolution is not adopted by the village board
11 of trustees or city council, then a majority of the board of trustees or
12 the administrator may pass the resolution and thereby adopt the proposed
13 dissolution. After the board of trustees or the administrator has adopted
14 such resolution of dissolution, the clerk of the community improvement
15 district shall prepare and file a certified copy of the resolution of
16 dissolution in the office of the city or village clerk where the original
17 articles of association were filed and in the office of the Secretary of
18 State.

19 (4) A proposed resolution of dissolution shall not be adopted if the
20 community improvement district is obligated on any outstanding bonds,
21 warrants, or other debts or obligations unless the holders of such bonds,
22 warrants, or other debts or obligations shall all sign written consents
23 to the dissolution prior to the adoption of the resolution of
24 dissolution.

25 **Sec. 39.** (1) Whenever a majority of the respective boards of
26 trustees or the administrators of two community improvement districts
27 organized under the Community Improvement District Act, organized within
28 the same city or village shall desire that one of the community
29 improvement districts shall wholly merge into the other community
30 improvement district, the trustees or administrators shall first propose
31 a joint resolution declaring the advisability of such merger and setting

1 out verbatim the terms and conditions thereof and specifying which
2 community improvement district shall be the surviving community
3 improvement district, and also setting out the time and place when the
4 boards of trustees or administrators of the two community improvement
5 districts shall meet to consider the adoption of such resolution. Notice
6 of the time and place when the two community improvement districts shall
7 meet shall be delivered to the city or village clerk and the county
8 clerk, election commissioner, and register of deeds of each county or
9 counties in which the community improvement district is located at least
10 forty-five days prior to such date.

11 (2) The trustees or the administrators shall mail a copy of such
12 proposed joint resolution to the city or village clerk within five days
13 after the date of first publication of the published notice described in
14 this section. Notice of the time and place when such resolution shall be
15 set for consideration shall be published the same day each week for two
16 consecutive weeks in a newspaper of general circulation published in the
17 city or village where the community improvement districts were organized,
18 which publication shall contain the entire wording of the proposed
19 resolution. The last publication shall be not less than five days nor
20 more than two weeks prior to the time set for hearing on objections to
21 the passage of the resolution, at which hearing the owners of property
22 within either of the community improvement districts or the holders of
23 any unpaid bonds, warrants, or other obligations of either community
24 improvement district, or any city or village if any part of such
25 community improvement district or community improvement districts lies
26 within the area of its zoning jurisdiction, may appear and make
27 objections to the proposed resolution.

28 (3) If (a) a petition opposing the proposed resolution of merger is
29 signed by (i) property owners representing a majority of the area of real
30 estate within either community improvement district or (ii) any holder of
31 any unpaid bonds, warrants, or other obligations of either community

1 improvement district or (b) a resolution is adopted by the city council
2 or village board of trustees opposing such resolution of merger and if
3 any such petition or resolution is presented to the boards of trustees or
4 administrators on or prior to the hearing date, then the boards of
5 trustees or administrators shall not adopt such resolution.

6 (4) If a written petition or resolution opposing the proposed
7 resolution of merger is not filed, then a majority of the boards of
8 trustees or administrators of both community improvement districts may
9 pass the resolution and thereby adopt the proposed merger. Upon adoption
10 of the proposed resolution by the boards of trustees or administrators of
11 both community improvement districts, the clerk of the community
12 improvement district or the administrator from both community improvement
13 districts shall prepare and file a certified copy of such resolution of
14 merger in the office of the city or village clerk where the original
15 articles of association of the community improvement districts were filed
16 and in the office of the Secretary of State, and thereupon the surviving
17 community improvement district shall succeed to and become vested with
18 full title to all the property and property rights of every kind,
19 contracts, obligations, and choses in action of every kind held by or
20 belonging to the nonsurviving community improvement district, and the
21 surviving community improvement district shall also be liable for and
22 recognize, assume, and carry out all valid contracts and obligations of
23 the nonsurviving community improvement district including all outstanding
24 warrants, bonds, or other indebtedness. All taxes, assessments, and
25 demands of every kind due or owing to the nonsurviving community
26 improvement district shall be paid to and collected by the surviving
27 community improvement district.

28 (5) Upon the filing of the certified copies of the resolution of
29 merger as provided in this section, the corporate existence of the
30 nonsurviving community improvement district shall thereupon terminate and
31 the boundaries of the surviving community improvement district shall be

1 extended to include all the territory within the boundaries of the
2 nonsurviving community improvement district. A majority of the board of
3 trustees or the administrator of the surviving community improvement
4 district shall have power, from time to time, to give binding directions
5 in writing to the county treasurer of the county in which the surviving
6 community improvement district is located, directing that the treasurer
7 segregate the special assessment funds of the two community improvement
8 districts or directing the segregation of the other assets of the two
9 community improvement districts or directing the method and priority of
10 payment of registered warrants of the two community improvement
11 districts, or giving directions to the county treasurer as to other
12 problems of fiscal management of the affairs of the two community
13 improvement districts involved in the merger.

14 **Sec. 40.** (1) Whenever a majority of the board of trustees or the
15 administrator of any community improvement district organized under the
16 Community Improvement District Act, desires that any property within the
17 community improvement district be detached from the community improvement
18 district, the trustees or the administrator shall first propose a
19 resolution declaring the advisability of such detachment and setting out
20 verbatim the terms and conditions thereof and also setting out the time
21 and place when the board of trustees or the administrator will meet to
22 consider the adoption of such resolution. Notice of the time and place
23 when the resolution shall be set for consideration shall be delivered to
24 the city or village clerk and the county clerk, election commissioner,
25 and register of deeds of each county or counties in which the community
26 improvement district is located at least forty-five days prior to such
27 date. Notice of the time and place when the resolution shall be set for
28 consideration shall be published the same day each week for two
29 consecutive weeks in a newspaper of general circulation published in the
30 city or village where the community improvement district was organized,
31 which publication shall contain the entire wording of the proposed

1 resolution. The trustees or administrator shall mail a copy of such
2 proposed resolution to the city or village clerk of the city or village
3 in which any part of the community improvement district is located within
4 five days after the date of first publication of the resolution. The last
5 publication shall be not less than five days nor more than two weeks
6 prior to the time set for hearing on objections to the passage of the
7 resolution, at which hearing the owners of property within the community
8 improvement district, or any city or village in which any part of the
9 community improvement district is located, may appear and make objections
10 to the proposed resolution.

11 (2) If (a) a petition opposing the proposed resolution of detachment
12 is signed by property owners representing a majority of the area of real
13 estate within the community improvement district or (b) a resolution is
14 adopted by the city council or village board of trustees opposing the
15 proposed resolution of detachment and such petition or resolution is
16 presented to the board of trustees or to the administrator on or prior to
17 the hearing date, then the board of trustees or the administrator shall
18 not adopt such resolution.

19 (3) If the owners representing a majority of the area of real estate
20 within the community improvement district fail to sign and present to the
21 board of trustees or the administrator, on or prior to the hearing date,
22 a written petition opposing the proposed resolution of detachment, or if
23 the city council or village board of trustees fail to adopt a resolution
24 opposing such resolution of detachment, then a majority of the board of
25 trustees or the administrator may pass the resolution and thereby adopt
26 the proposed detachment. After the board of trustees or the administrator
27 has adopted such resolution of detachment, the clerk of the community
28 improvement district shall prepare and file a certified copy of the
29 resolution of detachment in the office of the city clerk where the
30 original articles of association were filed and in the office of the
31 Secretary of State, and thereupon the area detached shall become excluded

1 and detached from the boundaries of the community improvement district.

2 (4) A resolution of detachment proposed under this section shall not
3 be adopted if the community improvement district is indebted on any
4 outstanding bonds or warrants of the community improvement district
5 unless the holders of such bonds and warrants all sign written consents
6 to the detachment prior to the adoption of the resolution of detachment.

7 **Sec. 41.** When any land is a part of two community improvement
8 districts and the owners of such land desire that it be a part of only
9 one community improvement district, such owners shall file their request
10 with the trustees or the administrator of each community improvement
11 district. The trustees or the administrator of the community improvement
12 districts shall meet jointly and develop an agreement for the detachment
13 of the land from one of the community improvement districts and the
14 adjustment of indebtedness. If the trustees or administrators are unable
15 to reach an agreement, they shall file a petition in the district court
16 of the county in which such land is located and the court shall have
17 jurisdiction to detach the land and adjust the indebtedness. The clerk of
18 the community improvement district shall notify the clerk of each city or
19 village in which the community improvement districts are located and the
20 county clerk, election commissioner, and register of deeds of each county
21 or counties in which the community improvement districts are located of
22 the agreement for detachment or the filing of the petition in district
23 court.

24 **Sec. 42.** A petition may be filed with the district court of the
25 county in which a majority of the real property of a community
26 improvement district is located for referral of the community improvement
27 district to the city council of the city or board of trustees of the
28 village in which the community improvement district is located for the
29 appointment of an administrator of the community improvement district and
30 suspension of the authority of the board of trustees of the community
31 improvement district or other relief as provided by sections 43 to 51 of

1 this act. Such petition may be filed by: (1) A majority of the board of
2 trustees of the community improvement district; (2) the holders of more
3 than fifty percent in principal amount of the outstanding bonds of the
4 community improvement district; (3) the holders of more than fifty
5 percent in principal amount of outstanding construction fund warrants of
6 the community improvement district; (4) a majority of the lessees
7 permitted to vote pursuant to section 14 of this act who are residents of
8 the community improvement district and resident property owners of the
9 community improvement district; (5) the owners of more than one-half of
10 the real property within the community improvement district; or (6) a
11 city or village in which the community improvement district is located
12 and which exercises zoning jurisdiction over the community improvement
13 district. A petition filed by a city or village pursuant to subdivision
14 (6) of this section may be filed only on grounds that the community
15 improvement district has issued outstanding bonds or construction fund
16 warrants which have been in default for more than ninety days or the
17 community improvement district lacks a functioning board of trustees.

18 **Sec. 43.** The court shall fix the time for the hearing of the
19 petition pursuant to section 42 of this act and shall order the clerk of
20 the court to give and publish a notice of the filing of the petition. The
21 notice shall be given by publication the same day of the week each week
22 for three consecutive weeks. Within five days after the first publication
23 of such notice, the petitioner shall cause to be mailed by United States
24 mail a copy of such notice to each holder of outstanding warrants and
25 bonds, to each member of the board of trustees if the board has not
26 petitioned for the appointment, to the city or village in which the
27 community improvement district is located, and to each person whose
28 property ownership is of record on the records of the register of deeds
29 at least thirty days and not more than forty days prior to the mailing of
30 a notice. Notice shall be sent to each bond and warrant holder, trustee,
31 and property owner whose name and post office address are known after

1 diligent investigation and inquiry. The notice shall state the time and
2 place fixed for the hearing of the petition and the prayer of the
3 petition, and that any person with an interest in the community
4 improvement district may, on or before the day fixed for the hearing of
5 the petition, move to join in, dismiss, or answer the petition. The
6 petition may be referred to and described in the notice as the petition
7 of (giving name of petitioner) praying for the referral
8 of the community improvement district to the (name of the
9 city council of the city or board of trustees of the village in which the
10 community improvement district is located) for the appointment of an
11 administrator of the community improvement district and the suspension of
12 the authority of the board of trustees of such community improvement
13 district to exercise the powers granted the board of trustees under the
14 Community Improvement District Act during the period of such
15 administrator's appointment.

16 **Sec. 44.** The petition shall state that the community improvement
17 district (1) has been in default for more than ninety days on its issued
18 and outstanding bonds or construction fund warrants of the community
19 improvement district, (2) has levied a tax upon the taxable value of the
20 taxable property in the community improvement district which, along with
21 the sinking fund derived from special assessments, has not been
22 sufficient to meet payments of interest and principal on the issued and
23 outstanding bonds of the community improvement district, (3) has failed
24 to levy special assessments on all lots, parcels, or pieces of real
25 property within the terms provided in section 32 of this act, or (4)
26 lacks a functioning board of trustees. The petition shall pray for
27 referral of the community improvement district to the city council of the
28 city or board of trustees of the village in which the community
29 improvement district is located for the appointment of an administrator
30 for the community improvement district and for an order suspending the
31 authority of the board of trustees of the community improvement district

1 to exercise the powers granted to such board pursuant to the Community
2 Improvement District Act during the period of such administrator's
3 appointment or for such other relief as the court may determine
4 appropriate.

5 **Sec. 45.** Any person with an interest in the community improvement
6 district may join in the petition, move to dismiss the petition, or file
7 an answer to such petition. The rules of civil procedure relating to
8 motions and answers to a petition shall be applicable to motions and
9 answers to the petition in such special proceedings. The persons filing
10 motions to dismiss and answering the petition shall be the defendants to
11 the special proceedings, and the persons filing the petition or joining
12 in the petition shall be the plaintiffs. Every material statement of the
13 petition not specially controverted by the answer shall, for the purpose
14 of the special proceedings, be taken as true. Each person or party in
15 interest failing to answer the petition shall be deemed to admit as true
16 all the material statements of the petition. The rules of civil procedure
17 relating to pleading and practice which are not inconsistent with the
18 provisions of the Community Improvement District Act are applicable to
19 the special proceedings in sections 42 to 47 of this act.

20 **Sec. 46.** Upon the hearing of the special proceedings pursuant to
21 sections 42 to 47 of this act, the court shall, upon a finding that any
22 of the statements in subdivisions (1) through (4) of section 44 of this
23 act are true, that the petition has been properly filed and notice of the
24 petition has been duly given and published for the time and in the manner
25 prescribed in sections 42 to 47 of this act, and that it is in the best
26 interest of the community improvement district, have the power and
27 jurisdiction to issue an order which refers the community improvement
28 district to the city council of the city or board of trustees of the
29 village in which the community improvement district is located for
30 appointment by the city council or village board of trustees of an
31 administrator from a list of not less than two names of persons

1 possessing real estate and financial expertise compiled by the court in
2 the proceedings, and which provides for the suspension of the authority
3 of the board of trustees of the community improvement district to
4 exercise the powers granted such board under the Community Improvement
5 District Act during the period of such administrator's appointment. In
6 the alternative or as additional relief, the court may order such other
7 relief as may be appropriate to cure the defects of the community
8 improvement district, including, but not limited to, (1) appointment of
9 trustees to serve until the next regular election, (2) calling a special
10 election to elect trustees which shall be conducted in the same manner as
11 other elections for trustees, and (3) directing the board of trustees to
12 levy taxes or special assessments as required by the Community
13 Improvement District Act. The cost of the special proceedings may be
14 allowed and apportioned between the parties in the discretion of the
15 court.

16 **Sec. 47.** Upon receipt of the order of the district court referring
17 the community improvement district to the city council of the city or
18 board of trustees of the village in which the community improvement
19 district is located for the appointment of an administrator, the city
20 council or village board of trustees shall appoint an administrator with
21 authority, including all authority of the board of trustees, chairperson,
22 and clerk of the community improvement district, to direct the affairs of
23 the community improvement district pursuant to the Community Improvement
24 District Act unless the city council or village board of trustees shall
25 determine upon good cause that the appointment of an administrator would
26 not be in the best interests of the community improvement district.
27 Within sixty days after receipt of such order of the district court, the
28 city council or village board of trustees shall file with the court a
29 certificate evidencing compliance with this section and if the city
30 council or village board of trustees determines not to appoint an
31 administrator, such certificate shall specify the grounds for the city

1 council's or village board of trustees' determination that the
2 appointment would not be in the best interest of the community
3 improvement district.

4 **Sec. 48.** Upon the issuance of a certificate of appointment by the
5 city council of the city or board of trustees of the village in which the
6 community improvement district is located to a designated community
7 improvement district administrator, the authority of the board of
8 trustees of the community improvement district to exercise the powers of
9 the community improvement district conferred by the Community Improvement
10 District Act shall be suspended. The administrator shall during the
11 period of his or her appointment possess all of the powers of the board
12 of trustees and shall possess exclusive authority to exercise the powers
13 conferred in the Community Improvement District Act.

14 **Sec. 49.** The board of trustees or the administrator shall have the
15 power to negotiate a scaling, a discounting, a reduction in interest
16 rate, or any other compromise of any or all of the bonds, warrants, or
17 other indebtedness of the community improvement district with the owners
18 or holders of such indebtedness. In order to carry out any compromise
19 agreements made, the board of trustees or the administrator shall have
20 the power to issue new bonds or warrants which may be delivered to the
21 holders or owners of the indebtedness being compromised or may be sold on
22 such terms as the board of trustees or administrator shall determine to
23 provide cash to carry out the compromise settlement. Before any new bonds
24 or warrants are issued, the terms of the compromise settlement shall be
25 approved by the district court for the county in which the community
26 improvement district or the greater portion of the community improvement
27 district is situated. Such review by the district court shall be limited
28 to the legality and validity of the new bonds or warrants to be issued,
29 and the decree of the district court determining the issuance of the new
30 bonds or warrants to be legal and valid shall be conclusive against the
31 community improvement district and all other persons having or claiming

1 any interest in the community improvement district. Notwithstanding any
2 other provision of law, the treasurer of the community improvement
3 district shall disburse funds of the community improvement district in
4 accordance with the compromise settlement approved by the district court.

5 **Sec. 50.** (1) The administrator may levy a separate tax upon the
6 taxable value of the taxable property in the community improvement
7 district which shall be known as the administration tax and which shall
8 be separately accounted for by the treasurer of the community improvement
9 district. Such tax shall be paid annually. Such tax may be used to pay
10 the fees and expenses of the administrator and his or her administration,
11 including the cost of audit services, legal services, and financial
12 advisory services ordered by the administrator.

13 (2) The administrator shall receive a minimum fee of five hundred
14 dollars per month during the term of his or her appointment. The
15 administrator shall also be entitled to reimbursement for his or her
16 actual and necessary expenses upon presentation of an accounting of his
17 or her expenses to the city council of the city or board of trustees of
18 the village in which the community improvement district is located. The
19 monthly administrator's fee provided for in this subsection shall be
20 subject to adjustment at any time during the term of the administrator's
21 appointment by the city council or village board of trustees. The factors
22 to be considered by the city council or village board of trustees in its
23 determination to increase the administrator's fee shall include the
24 nature and extent of the administrator's services, the complexity of the
25 problems confronting the community improvement district, and the value of
26 the services of the administrator to the community improvement district.
27 The city council or village board of trustees shall also consider the
28 cost of obtaining comparable services of the administrator in the private
29 sector.

30 **Sec. 51.** The administrator shall serve at the pleasure of the city
31 council of the city or board of trustees of the village in which the

1 community improvement district is located or until the district court
2 shall terminate the authority of the city council or village board of
3 trustees and the administrator. A petition for review by the court of the
4 original order may be filed by any person with an interest in the
5 community improvement district. The court shall have the power to
6 terminate the authority of the city council or village board of trustees
7 and the administrator upon its determination that none of the conditions
8 set forth in section 44 of this act exist or it is in the best interest
9 of the community improvement district that the authority of the
10 administrator be terminated. A termination of the authority of the city
11 council or village board of trustees and the administrator shall
12 reinstate the authority of the board of trustees pursuant to the
13 Community Improvement District Act.

14 **Sec. 52.** For purposes of sections 52 to 59 of this act:

15 (1) Filing clerk means the election commissioner or county clerk of
16 the county in which all or the largest portion of the land area
17 comprising a community improvement district is located;

18 (2) Qualified property owning voter means a person entitled to vote
19 as provided in section 14 of this act for all trustees of a community
20 improvement district other than those which may be elected only by
21 qualified resident voters; and

22 (3) Qualified resident voter means a person entitled to vote as
23 provided in section 14 of this act for all trustees of a community
24 improvement district.

25 **Sec. 53.** (1) A trustee of a community improvement district may be
26 removed from office by recall pursuant to sections 52 to 59 of this act.
27 A petition for an election to recall a trustee shall be sufficient if it
28 complies with the requirements of this section.

29 (2) The signers of the petition shall be persons who were, on the
30 date the initial petition papers are issued under subsection (7) of this
31 section, eligible to vote in a community improvement district election as

1 provided in section 14 of this act. A person's eligibility to sign a
2 petition shall be the same as the person's eligibility to cast one or
3 more votes at a community improvement district election under section 14
4 of this act. Only one person shall be allowed to sign on behalf of joint
5 owners of property in the community improvement district or on behalf of
6 a public, private, or municipal corporation that owns property in the
7 community improvement district. If the trustee whose recall is sought was
8 elected by vote of resident owners only, then only resident owners shall
9 be allowed to sign the petition. If the trustee whose recall is sought
10 was elected by vote of all owners of property, then all owners shall be
11 allowed to sign the petition. For purposes of this section, resident
12 owner means qualified resident voter and all owners means all qualified
13 resident voters and all qualified property owning voters.

14 (3) The filing clerk shall assign to each signature a count equal to
15 the number of votes that the signer was eligible to cast on the date he
16 or she signed. The number of votes that a signer was eligible to cast
17 shall be based on section 14 of this act. If the signature was made by or
18 for an owner of more than one parcel of property, the signature made by
19 or on behalf of such owner shall be assigned a count equal to the total
20 number of votes which the owner was eligible to cast.

21 (4) The filing clerk shall total the count assigned to the
22 signatures on the petition. The petition shall be sufficient if the total
23 is at least equal to thirty-five percent of the highest number of votes
24 that were cast for a candidate at the previous community improvement
25 district election for the trustee positions in the same category as the
26 trustee whose recall is sought by the petition. The categories of
27 trustees shall be the same as provided in section 14 of this act.

28 (5) The signatures shall be affixed to petition papers and shall be
29 considered part of the petition.

30 (6) The petition papers shall be procured from the filing clerk.
31 Prior to the issuance of such petition papers, a recall petition filing

1 form shall be signed and filed with the filing clerk by (a) at least one
2 qualified resident voter of the district if the trustee whose recall is
3 being sought was elected solely by qualified resident voters or (b) at
4 least one qualified resident voter or qualified property owning voter if
5 the trustee whose recall is being sought was elected by qualified
6 resident voters and qualified property owning voters. Such voter or
7 voters shall be deemed to be the principal circulator or circulators of
8 the recall petition. The filing form shall state the name of the trustee
9 sought to be removed and whether qualified property owning voters
10 participated in the election of the trustee and shall request that the
11 filing clerk issue initial petition papers to the principal circulator
12 for circulation. The filing clerk shall notify the principal circulator
13 or circulators that the necessary signatures must be gathered within
14 thirty days after the date of issuing the petitions.

15 (7) The filing clerk, upon issuing the initial petition papers or
16 any subsequent petition papers, shall enter in a record, to be kept in
17 his or her office, the name of the principal circulator or circulators to
18 whom the papers were issued, the date of issuance, the number of papers
19 issued, and whether qualified property owning voters may participate in
20 signing the petitions. The filing clerk shall certify on the papers the
21 name of the principal circulator or circulators to whom the papers were
22 issued, the date they were issued, and whether qualified property owning
23 voters may participate in signing the petitions. No petition paper shall
24 be accepted as part of the petition unless it bears such certificate. The
25 principal circulator or circulators who check out petitions from the
26 filing clerk may distribute such petitions to persons who may act as
27 circulators of such petitions.

28 **Sec. 54.** (1) The Secretary of State shall design the uniform
29 petition papers to be distributed by all filing clerks for use in the
30 recall of trustees of community improvement districts and shall keep a
31 sufficient number of such blank petition papers on file for distribution

1 to any filing clerk requesting recall petitions.

2 (2) Each petition paper presented to a qualified voter for his or
3 her signature shall clearly indicate at the top (a) whether the trustee
4 whose recall is being sought was elected solely by qualified resident
5 voters, (b) whether the signatories must be qualified resident voters or
6 may include qualified property owning voters, (c) that the signatories
7 must support the holding of a recall election for the trustee, (d) the
8 name of the individual sought to be recalled, and (e) a general statement
9 of the reason or reasons for which recall is sought.

10 (3) Each petition paper shall contain a statement, entitled
11 Instructions to Petition Circulators, prepared by the Secretary of State
12 to assist circulators in understanding the provisions governing the
13 petition process established by sections 52 to 59 of this act. The
14 instructions shall include the following statement: No one circulating
15 this petition paper in an attempt to gather signatures shall sign the
16 circulator's affidavit unless each person who signed the petition paper
17 did so in the presence of the circulator.

18 **Sec. 55.** (1) The principal circulator or circulators shall file, as
19 one instrument, all petition papers comprising a recall petition for
20 signature verification with the filing clerk within thirty days after the
21 filing clerk issues the initial petition papers to the principal
22 circulator or circulators as provided in section 53 of this act.

23 (2) Within fifteen days after the filing of the petition, the filing
24 clerk shall ascertain whether or not the petition is signed by sufficient
25 qualified resident voters and qualified property owning voters as
26 provided in section 53 of this act. No new signatures may be added after
27 the initial filing of the petition papers. No signatures may be removed
28 unless the filing clerk receives an affidavit signed by the person
29 requesting that his or her signature be removed before the petitions are
30 filed with the filing clerk for signature verification.

31 (3) If the petition is found to be sufficient, the filing clerk

1 shall attach to the petition a certificate showing the result of such
2 examination. If the petition is found not to be sufficient, the filing
3 clerk shall file the petition in his or her office without prejudice to
4 the filing of a new petition for the same purpose.

5 **Sec. 56.** (1) If the recall petition is found to be sufficient, the
6 filing clerk shall notify the trustee whose removal is sought and the
7 board of trustees of the community improvement district that sufficient
8 signatures have been gathered.

9 (2) If the trustee does not resign within five days after receiving
10 the notice, the filing clerk shall order an election to be held not less
11 than forty-five days nor more than sixty days after the expiration of the
12 five-day period, except that if an election for the board of trustees of
13 the community improvement district is to be held within one hundred
14 twenty days after the expiration of the five-day period, the filing clerk
15 shall provide for the holding of the removal election at the time of such
16 regular election. The recall election shall be conducted in the same
17 manner as an election for members of the board of trustees as provided in
18 section 14 of this act. After the filing clerk sets the date for the
19 recall election, the recall election shall be held regardless of whether
20 the trustee whose removal is sought resigns before the recall election is
21 held.

22 **Sec. 57.** The form of the official ballot at a recall election
23 conducted pursuant to section 56 of this act shall conform to the
24 requirements of this section. With respect to each trustee whose removal
25 is sought, the question shall be submitted: Shall (name of trustee) be
26 removed from the office of trustee? Immediately following each such
27 question there shall be printed on the ballot the two responses: Yes and
28 No. Immediately to the left of each response shall be placed a square or
29 oval in which the voters qualified to vote for the trustee in a regular
30 election may vote for one of the responses by making a cross or other
31 clear, identifiable mark. The name of the trustee which shall appear on

1 the ballot shall be the name of the trustee that appeared on the ballot
2 of the previous election that included his or her name.

3 **Sec. 58.** (1) If a majority of the votes cast at a recall election
4 are against the removal of the trustee named on the ballot or the
5 election results in a tie, the trustee shall continue in office for the
6 remainder of his or her term.

7 (2) If a majority of the votes cast at a recall election are for the
8 removal of the trustee named on the ballot, he or she shall, regardless
9 of any technical defects in the recall petition, be deemed removed from
10 office unless a recount is ordered. If the trustee is deemed removed, the
11 removal shall result in an immediate vacancy in the office from the date
12 of the election. The vacancy shall be filled as provided in subsection
13 (2) of section 14 of this act.

14 (3) If there are vacancies in the offices of a majority or more of
15 the members of the board of trustees at one time due to the recall of
16 such members, a special election to fill such vacancies shall be
17 conducted as expeditiously as possible by the filing clerk in the manner
18 specified in section 14 of this act.

19 (4) No trustee who is removed at a recall election or who resigns
20 after the initiation of the recall process shall be appointed to fill the
21 vacancy resulting from his or her removal or the removal of any other
22 member of the same board of trustees during the remainder of his or her
23 term of office.

24 **Sec. 59.** No recall petition filing form shall be filed against a
25 trustee under section 53 of this act within twelve months after a recall
26 election has failed to remove him or her from office, within six months
27 after the beginning of his or her term of office, or within six months
28 prior to the incumbent filing deadline for the office.

29 **Sec. 60.** Section 10-127, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 10-127 The State Highway Commission, any county, city, village,

1 municipal county, school district, drainage district, irrigation
2 district, public power district, public power and irrigation district,
3 metropolitan utilities district, the Board of Regents of the University
4 of Nebraska, the Board of Trustees of the Nebraska State Colleges,
5 community colleges, community improvement districts, sanitary and
6 improvement districts, rural water districts, airport authorities,
7 hospital authorities, or any other municipal corporation or governmental
8 subdivision of the state which has the power to issue bonds or other
9 evidences of indebtedness may issue bonds or other evidences of
10 indebtedness of like date, tenor, amount, and maturity to replace
11 mutilated, destroyed, stolen, or lost bonds or other evidences of
12 indebtedness previously issued and having attached thereto the same
13 corresponding unmatured coupons, if any, as were attached to the
14 mutilated, destroyed, stolen, or lost bonds or other evidences of
15 indebtedness. Issuance of replacement bonds or other evidences of
16 indebtedness of like date, tenor, amount, and maturity may be made (1) in
17 exchange and in substitution for such mutilated bond or other evidence of
18 indebtedness and attached unmatured coupons, if any, upon surrender of
19 such mutilated bond or other evidence of indebtedness and attached
20 unmatured coupons, if any, or (2) in lieu of and in substitution for the
21 destroyed, stolen, or lost bond or other evidence of indebtedness and
22 attached unmatured coupons. In the event such bond or other evidence of
23 indebtedness and attached unmatured coupons, if any, have been destroyed,
24 stolen, or lost, the holder thereof shall first file with the issuer
25 evidence satisfactory to it that such bond or other evidence of
26 indebtedness and attached unmatured coupons have been destroyed, stolen,
27 or lost and of such holder's ownership thereof and shall in any event
28 furnish the issuer with indemnity satisfactory to it and shall comply
29 with any statutory requirements and with such other requirements as the
30 issuer may require. A charge, not exceeding the actual cost thereof,
31 shall be imposed upon such owner to reimburse the issuer for the expenses

1 for issuing each such new bond or evidence of indebtedness, which cost
2 shall be paid before the delivery of the new bond or evidence of
3 indebtedness. Instead of issuing a substituted bond or evidence of
4 indebtedness or instead of delivery of any coupon for a bond or evidence
5 of indebtedness, as the case may be, which has matured or which is about
6 to mature and instead of issuing a substituted bond or other evidence of
7 indebtedness for a bond or other evidence of indebtedness which has been
8 called for redemption, the issuer, upon receiving evidence and being
9 indemnified as provided in this section, at its option may pay the bond
10 or other evidence of indebtedness or such coupon from any source lawfully
11 available therefor without the surrender thereof.

12 **Sec. 61.** Section 10-131, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 10-131 Notwithstanding any other provisions of the statutes of the
15 State of Nebraska with respect to the issuance of bonds, interest
16 coupons, and other evidence of indebtedness by any county, city, village,
17 municipal county, school district, public power district, public power
18 and irrigation district, airport authority, community improvement
19 district, sanitary and improvement district, or any other municipal
20 corporation or political subdivision, if any bond or other evidence of
21 indebtedness is signed by more than one officer of such issuer, one of
22 the signatures shall be manually affixed thereto and the other signatures
23 may be facsimile signatures of such officers, and with respect to any
24 interest coupons appertaining to any bond or evidence of indebtedness,
25 the signatures on such interest coupon may be facsimile signatures.

26 **Sec. 62.** Section 10-133, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 10-133 Any county, city, village, municipal county, school district,
29 public power district, public power and irrigation district, airport
30 authority, community improvement district, sanitary and improvement
31 district, or any other municipal corporation or political subdivision is

1 hereby authorized to pay fiscal and consultant fees incurred with respect
2 to issuance and sale of any bonds, notes, or other evidence of
3 indebtedness out of the proceeds from the sale of such bonds or any other
4 funds available to the issuer, and such payment shall not constitute or
5 be considered as a discount with respect to the sale price of the bonds,
6 notes, or other evidence of indebtedness.

7 **Sec. 63.** Section 10-134, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 10-134 As used in sections 10-134 to 10-141, unless the context
10 otherwise requires:

11 (1) Bond shall mean any bonds, notes, interim certificates,
12 evidences of bond ownership, bond anticipation notes, warrants, or other
13 evidence of indebtedness;

14 (2) Bond ordinance shall mean the ordinance or resolution adopted by
15 the governing body of an issuer authorizing an issue of bonds and shall
16 include any indenture or similar instrument executed by the issuer in
17 connection with a bond issue;

18 (3) Fully registered bond shall mean a bond, without interest
19 coupons, as to which the principal and interest are payable to the person
20 shown on the records of the registrar as the owner of the bond as of each
21 interest or principal record payment date designated by the issue in the
22 bond ordinance;

23 (4) Governing body shall mean the council, board, or other
24 legislative body having charge of the governance of the issuer;

25 (5) Issuer shall mean any county, city, village, school district,
26 community improvement district, sanitary and improvement district, fire
27 protection district, public corporation, or any other governmental body
28 or political subdivision of the State of Nebraska; and

29 (6) Paying agent or registrar shall mean: (a) The treasurer or
30 finance officer of the issuer; (b) any national or state bank having
31 trust powers or any trust company; (c) any municipal securities dealer

1 registered under Section 15B of the Securities Exchange Act of 1934,
2 except that such a dealer may act as a paying agent or registrar only
3 with respect to warrants or an issue of bonds maturing within five years
4 from the date of issuance; or (d) the county treasurer of the county in
5 which the issuer is located if such treasurer shall agree to perform such
6 duty. The paying agent and registrar for a bond issue may be, but are not
7 required to be, the same person or entity.

8 **Sec. 64.** Section 10-615, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 10-615 Any community improvement district, any sanitary and
11 improvement district, any road improvement district, and any fire
12 protection district in the State of Nebraska which has issued or which
13 will issue bonds for any purpose, and such bonds or any part of such
14 bonds are unpaid, are a legal liability against such district, and are
15 bearing interest, may issue refunding bonds with which to call and redeem
16 all or any part of such outstanding bonds at or before the maturity or
17 the redemption date of such bonds, may include various series and issues
18 of the outstanding bonds in a single issue of refunding bonds, and may
19 issue refunding bonds to pay any redemption premium and interest to
20 accrue and become payable on the outstanding bonds being refunded or
21 refunding bonds issued. The refunding bonds may be issued and delivered
22 at any time prior to the date of maturity or the redemption date of the
23 bonds to be refunded that the governing body or the administrator
24 determines to be in the best interest of any such district. The proceeds
25 derived from the sale of the refunding bonds issued pursuant to this
26 section may be invested in obligations of or guaranteed by the United
27 States Government pending the time the proceeds are required for the
28 purpose for which such refunding bonds were issued. To further secure the
29 refunding bonds, any such district may enter into a contract with any
30 bank or trust company, within or without the state, with respect to the
31 safekeeping and application of the proceeds of the refunding bonds and

1 the safekeeping and application of the earnings on the investment of such
2 proceeds. Any outstanding bonds, which shall have been called for
3 redemption and which have sufficient funds or obligations of or
4 guaranteed by the United States Government set aside in safekeeping to be
5 applied for the complete payment of such bonds, interest on such bonds,
6 and redemption premium, if any, on the redemption date, shall not be
7 considered as outstanding and unpaid, and such bonds shall be fully
8 secured by and be payable from such funds or obligations so deposited.
9 Each new refunding bond so issued shall state on the bond (1) the object
10 of its issue, (2) this section of the law under which such issue was
11 made, including a statement that the issue is made pursuant to such
12 section, and (3) the date and principal amount of the bond or bonds for
13 which the refunding bonds are being issued.

14 **Sec. 65.** Section 10-1103, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 10-1103 For purposes of the Nebraska Governmental Unit Security
17 Interest Act:

18 (1) Authorizing statute means any statute which authorizes the
19 issuance of bonds;

20 (2) Bond means any bond, note, warrant, loan agreement, lease,
21 lease-purchase agreement, pledge agreement, agreement authorized by the
22 governing body of a generating power agency pursuant to section 70-682,
23 or other evidence of indebtedness for which a security interest is
24 granted or a pledge made upon revenue or other property, including any
25 limited tax revenue, to provide for payment or security;

26 (3) Governmental unit means the State of Nebraska, any county,
27 school district, city, village, public power district, community
28 improvement district, sanitary and improvement district, educational
29 service unit, community college area, natural resources district, airport
30 authority, fire protection district, hospital authority, joint entity
31 created under the Interlocal Cooperation Act, joint public agency,

1 instrumentality, or any other district, authority, or political
2 subdivision of the State of Nebraska and governmental units as defined in
3 subdivision (a)(45) of section 9-102, Uniform Commercial Code;

4 (4) Measure means any ordinance, resolution, or other enactment
5 authorizing the issuance of bonds or authorizing an indenture with
6 respect to bonds pursuant to an authorizing statute; and

7 (5) Owner means any holder, registered owner, or beneficial owner of
8 a bond.

9 **Sec. 66.** Section 10-1203, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 10-1203 For purposes of the Nebraska Governmental Unit Credit
12 Facility Act:

13 (1) Authorizing statute means any statute which authorizes the
14 issuance of bonds by a governmental unit;

15 (2) Bank means any federally chartered or state-chartered bank,
16 savings and loan association, building and loan association, insurance
17 company, or any other public or private agency which insures or
18 guarantees the indebtedness of other persons or governmental units;

19 (3) Bond means any bond, note, interim certificate, evidence of bond
20 ownership, bond anticipation note, warrant, or other evidence of
21 indebtedness issued under any authorizing statute;

22 (4) Credit facility means any agreement or other instrument
23 providing for a guarantee or other contractual arrangement providing
24 direct or indirect assurance for payment of principal or interest or both
25 principal and interest on any bond issued by a governmental unit,
26 including, but not limited to, any letter of credit, contract of
27 guarantee, contract of insurance, standby purchase contract, or any other
28 contract for purchase or other agreement as to assurance of payment;

29 (5) Governmental unit means any county, school district, city,
30 village, public power district, public power and irrigation district,
31 community improvement district, sanitary and improvement district,

1 educational service unit, community college area, natural resources
2 district, airport authority, fire protection district, hospital district,
3 hospital authority, housing authority, joint entity created under the
4 Interlocal Cooperation Act, joint public agency created under the Joint
5 Public Agency Act, instrumentality, or any other district, authority, or
6 political subdivision of the State of Nebraska;

7 (6) Measure means any ordinance, resolution, or other enactment by a
8 governmental unit, or any amendment or supplement to any such ordinance,
9 resolution, or other enactment authorizing the issuance of bonds or
10 authorizing an indenture with respect to bonds pursuant to an authorizing
11 statute;

12 (7) Terms and conditions means the terms and conditions of a credit
13 facility, which may include, but are not limited to, (a) representations
14 and warranties; (b) payment of fees and expenses; (c) reimbursement of
15 amounts advanced and payment of interest on amounts advanced; (d) holding
16 harmless for additional taxes or increased costs payable by the credit
17 facility provider; (e) remarketing or resale of purchased bonds; (f)
18 indemnification for liabilities incurred by a credit facility provider;
19 (g) affirmative and negative covenants relating to bonds for which
20 assurance is provided; (h) provisions relating to defaults and remedies
21 upon default; and (i) such other provisions as may be determined by the
22 governing body of a governmental unit to be either customary or
23 appropriate in obtaining a credit facility; and

24 (8) United States governmental enterprise means any agency or
25 instrumentality of the United States Government. For all purposes of the
26 Nebraska Governmental Unit Credit Facility Act, the term United States
27 governmental enterprise shall be conclusively construed as including, but
28 not limited to, any of the Federal Home Loan Banks, the Federal National
29 Mortgage Association, and the Federal Home Loan Mortgage Corporation.

30 **Sec. 67.** Section 13-402, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 13-402 (1) Any county, city, village, school district, agency of the
2 state government, drainage district, community improvement district,
3 sanitary and improvement district, or other political subdivision of the
4 State of Nebraska is hereby permitted, authorized, and given the power to
5 file a petition in the United States Bankruptcy Court under 11 U.S.C.
6 chapter 9 and any acts amendatory thereto and supplementary thereof and
7 to incur and pay the expenses incident to the consummation of a plan of
8 adjustment of debts as contemplated by such petition.

9 (2)(a) The authority and power to file a petition provided for in
10 subsection (1) of this section shall not apply to any city or village
11 that, at the time of its governing body authorizing the filing of such
12 petition, has its defined benefit retirement plan, if any, with a funded
13 ratio of the actuarial value of assets less than fifty-one and sixty-five
14 hundredths percent for any such petition to be filed during the period
15 between January 1, 2020, and January 1, 2023; fifty-four and forty-one
16 hundredths percent for any such petition to be filed during the period
17 between January 1, 2023, and January 1, 2026; fifty-eight and twenty-one
18 hundredths percent for any such petition to be filed during the period
19 between January 1, 2026, and January 1, 2029; sixty-three and forty-one
20 hundredths percent for any such petition to be filed during the period
21 between January 1, 2029, and January 1, 2032; seventy and seventy-one
22 hundredths percent for any such petition to be filed during the period
23 between January 1, 2032, and January 1, 2035; eighty and sixty-one
24 hundredths percent for any such petition to be filed during the period
25 between January 1, 2035, and January 1, 2038; and ninety percent
26 thereafter.

27 (b) Within ninety days prior to taking action authorizing the filing
28 of such petition, the governing body of any city or village that has a
29 defined benefit retirement plan shall conduct an actuarial valuation to
30 determine the funded ratio of such defined benefit retirement plan. Such
31 determination shall be prima facie evidence in establishing the authority

1 of the city or village to exercise authority under this section.

2 (c)(i) A city or village that does not have a defined benefit
3 retirement plan may by ordinance declare and affirm that its general
4 obligation bonds, whether existing before, after, or at the time of such
5 ordinance, shall, unless otherwise provided in the related authorizing
6 measure, be equally and ratably secured by a statutory lien on all ad
7 valorem taxes levied and to be levied from year to year by such city or
8 village and on all proceeds derived therefrom. The statutory lien
9 authorized hereunder shall be deemed to attach and be continuously
10 perfected from the time the bonds are issued without further action or
11 authorization by the city or village. The statutory lien is valid and
12 binding from the time the bonds are issued without any physical delivery
13 thereof or further act required. No filing need be made under the Uniform
14 Commercial Code or otherwise to perfect the statutory lien on any ad
15 valorem taxes or proceeds derived therefrom in favor of any general
16 obligation bonds. Bonds so secured shall have a first priority lien on
17 such ad valorem taxes so levied and on all proceeds derived therefrom and
18 shall have priority against all parties having claims of contract or tort
19 or otherwise against the city or village, whether or not the parties have
20 notice thereof. The absence of such declaration or affirmation shall not
21 reduce or degrade the priority or secured status of such bonds otherwise
22 existing under law.

23 (ii) For purposes of this subdivision, statutory lien shall have the
24 meaning given to that term under 11 U.S.C. 101(53) of the federal
25 Bankruptcy Reform Act of 1994, as it existed on August 24, 2017.

26 (d) An actuary performing actuarial valuations pursuant to this
27 subsection shall be a member of the American Academy of Actuaries and
28 shall meet the academy's qualification standards to render a statement of
29 actuarial opinion.

30 **Sec. 68.** Section 13-503, Reissue Revised Statutes of Nebraska, is
31 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, community improvement district, sanitary and
16 improvement district, township, offstreet parking district, transit
17 authority, regional metropolitan transit authority, metropolitan
18 utilities district, Educational Service Unit Coordinating Council,
19 political subdivision with the authority to have a property tax request,
20 with the authority to levy a toll, or that receives state aid, and joint
21 entity created pursuant to the Interlocal Cooperation Act that receives
22 tax funds generated under section 2-3226.05;

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

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

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

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

31 (6) Cash reserve means funds required for the period before revenue

1 would become available for expenditure but shall not include funds held
2 in any special reserve fund;

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

10 (8) Adopted budget statement means a proposed budget statement which
11 has been adopted or amended and adopted as provided in section 13-506.
12 Such term shall include additions, if any, to an adopted budget statement
13 made by a revised budget which has been adopted as provided in section
14 13-511;

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

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

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

1 or village's financial and taxing affairs, or (c) a budget by a natural
2 resources district that provides for a biennial period to determine and
3 carry on the natural resources district's financial and taxing affairs.

4 **Sec. 69.** Section 13-518, Revised Statutes Supplement, 2025, is
5 amended to read:

6 13-518 For purposes of sections 13-518 to 13-522:

7 (1) Allowable growth means (a) for governmental units other than
8 community colleges, the percentage increase in taxable valuation in
9 excess of the base limitation established under section 77-3446, if any,
10 due to (i) improvements to real property as a result of new construction
11 and additions to existing buildings, (ii) any other improvements to real
12 property which increase the value of such property, (iii) any increase in
13 valuation due to annexation of real property by the governmental unit,
14 (iv) a change in the use of real property, (v) any increase in personal
15 property valuation over the prior year, and (vi) the accumulated excess
16 valuation over the redevelopment project valuation described in section
17 18-2147 of the Community Development Law for redevelopment projects
18 within the governmental unit in the year immediately after the division
19 of taxes for such redevelopment project has ended and (b) for community
20 colleges, the percentage increase in excess of the base limitation, if
21 any, in full-time equivalent students from the second year to the first
22 year preceding the year for which the budget is being determined;

23 (2) Capital improvements means (a) acquisition of real property or
24 (b) acquisition, construction, or extension of any improvements on real
25 property;

26 (3) Governing body has the same meaning as in section 13-503, except
27 that for fiscal years beginning on or after July 1, 2025, such term shall
28 not include the governing body of any county, city, or village;

29 (4) Governmental unit means every political subdivision which has
30 authority to levy a property tax or authority to request levy authority
31 under section 77-3443, except that such term shall not include (a)

1 community improvement districts and sanitary and improvement districts
2 which have been in existence for five years or less, (b) school
3 districts, or (c) for fiscal years beginning on or after July 1, 2025,
4 counties, cities, or villages;

5 (5) Qualified sinking fund means a fund or funds maintained
6 separately from the general fund to pay for acquisition or replacement of
7 tangible personal property with a useful life of five years or more which
8 is to be undertaken in the future but is to be paid for in part or in
9 total in advance using periodic payments into the fund. The term includes
10 sinking funds under subdivision (13) of section 35-508 for firefighting
11 and rescue equipment or apparatus;

12 (6) Restricted funds means (a) property tax, excluding any amounts
13 refunded to taxpayers, (b) payments in lieu of property taxes, (c) local
14 option sales taxes, (d) motor vehicle taxes, (e) state aid, (f) transfers
15 of surpluses from any user fee, permit fee, or regulatory fee if the fee
16 surplus is transferred to fund a service or function not directly related
17 to the fee and the costs of the activity funded from the fee, (g) any
18 funds excluded from restricted funds for the prior year because they were
19 budgeted for capital improvements but which were not spent and are not
20 expected to be spent for capital improvements, (h) the tax provided in
21 sections 77-27,223 to 77-27,227 beginning in the second fiscal year in
22 which the county will receive a full year of receipts, and (i) any excess
23 tax collections returned to the county under section 77-1776. Funds
24 received pursuant to the nameplate capacity tax levied under section
25 77-6203 for the first five years after a renewable energy generation
26 facility has been commissioned are nonrestricted funds; and

27 (7) State aid means:

28 (a) For all governmental units, state aid paid pursuant to sections
29 60-3,202 and 77-3523 and reimbursement provided pursuant to section
30 77-1239;

31 (b) For municipalities, state aid to municipalities paid pursuant to

1 sections 39-2501 to 39-2520, 60-3,190, and 77-27,139.04 and insurance
2 premium tax paid to municipalities;

3 (c) For counties, state aid to counties paid pursuant to sections
4 60-3,184 to 60-3,190, insurance premium tax paid to counties, and
5 reimbursements to counties from funds appropriated pursuant to section
6 29-3933;

7 (d) For community colleges, state aid to community colleges paid
8 pursuant to the Community College Aid Act;

9 (e) For educational service units, state aid appropriated under
10 sections 79-1241.01 and 79-1241.03; and

11 (f) For local public health departments as defined in section
12 71-1626, state aid as distributed under section 71-1628.08.

13 **Sec. 70.** Section 13-803, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 13-803 For purposes of the Interlocal Cooperation Act:

16 (1) Joint entity shall mean an entity created by agreement pursuant
17 to section 13-804;

18 (2) Public agency shall mean any county, city, village, school
19 district, or agency of the state government or of the United States, any
20 drainage district, community improvement district, sanitary and
21 improvement district, or other municipal corporation or political
22 subdivision of this state, and any political subdivision of another
23 state;

24 (3) Public safety services shall mean public services for the
25 protection of persons or property. Public safety services shall include
26 law enforcement, fire protection, and emergency response services; and

27 (4) State shall mean a state of the United States and the District
28 of Columbia.

29 **Sec. 71.** Section 13-2202, Revised Statutes Cumulative Supplement,
30 2024, is amended to read:

31 13-2202 For purposes of the Local Government Miscellaneous

1 Expenditure Act:

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

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

22 (3) Local government shall mean cities of any class, villages,
23 cemetery districts, community hospitals for two or more adjoining
24 counties, county hospitals, road improvement districts, counties,
25 townships, sanitary drainage districts, community improvement districts,
26 sanitary and improvement districts, school districts, rural or suburban
27 fire protection districts, reclamation districts, natural resources
28 districts, regional metropolitan transit authorities, hospital districts,
29 county health departments, district health departments, city-county
30 health departments, educational service units, community colleges,
31 airport authorities, weed control authorities, county agricultural

1 societies, and learning communities;

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

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

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

14 **Sec. 72.** Section 13-2503, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 13-2503 For purposes of the Joint Public Agency Act:

17 (1) Board means the board of representatives of a joint public
18 agency;

19 (2) Governing body has the same meaning as in section 13-503 and,
20 when referring to state agencies, includes the governing board of a state
21 agency or the Governor and, when referring to federal agencies, includes
22 the governing board of a federal agency or the President of the United
23 States;

24 (3) Joint public agency means an entity created by agreement
25 pursuant to the act;

26 (4) Person means a natural person, public authority, private
27 corporation, association, firm, partnership, limited liability company,
28 or business trust of any nature whatsoever organized and existing under
29 the laws of this state or of the United States or any other state
30 thereof. The term does not include a joint public agency;

31 (5) Public agency means any county, city, village, school district,

1 or agency of the state government or of the United States, any drainage
2 district, community improvement district, sanitary and improvement
3 district, or other municipal corporation or political subdivision of this
4 state, and any political subdivision of another state;

5 (6) Representative means a member of the board and includes an
6 alternate representative; and

7 (7) State means a state of the United States and the District of
8 Columbia.

9 **Sec. 73.** Section 13-3304, Revised Statutes Cumulative Supplement,
10 2024, is amended to read:

11 13-3304 (1) Any city which encompasses an area greater than three
12 hundred acres eligible to be designated as an inland port district may
13 propose to create an inland port authority by ordinance, subject to the
14 cap on the total number of inland port districts provided in subsection
15 (4) of this section. In determining whether to propose the creation of an
16 inland port authority, the city shall consider the following criteria:

17 (a) The desirability and economic feasibility of locating an inland
18 port district within the corporate boundaries, extraterritorial zoning
19 jurisdiction, or both of the city;

20 (b) The technical and economic capability of the city and any other
21 public and private entities to plan and carry out development within the
22 proposed inland port district;

23 (c) The strategic location of the proposed inland port district in
24 proximity to existing and potential transportation infrastructure that is
25 conducive to facilitating regional, national, and international trade and
26 the businesses and facilities that promote and complement such trade;

27 (d) The potential impact that development of the proposed inland
28 port district will have on the immediate area; and

29 (e) The regional and statewide economic impact of development of the
30 proposed inland port district.

31 (2) Any city and one or more counties in which a city of the

1 metropolitan class, city of the primary class, or city of the first class
2 is located, or in which the extraterritorial zoning jurisdiction of such
3 city is located, which encompass an area greater than three hundred acres
4 eligible to be designated as an inland port district may enter into an
5 agreement pursuant to the Interlocal Cooperation Act to propose joint
6 creation of an inland port authority, subject to the cap on the total
7 number of inland port districts provided in subsection (4) of this
8 section. In determining whether to propose the creation of an inland port
9 authority, the city and counties shall consider the following criteria:

10 (a) The desirability and economic feasibility of locating an inland
11 port district within the corporate boundaries or extraterritorial zoning
12 jurisdiction or both of the city, or within both the corporate boundaries
13 or extraterritorial zoning jurisdiction or both of a city and the
14 boundaries of one or more counties;

15 (b) The technical and economic capability of the city and county or
16 counties and any other public and private entities to plan and carry out
17 development within the proposed inland port district;

18 (c) The strategic location of the proposed inland port district in
19 proximity to existing and potential transportation infrastructure that is
20 conducive to facilitating regional, national, and international trade and
21 the businesses and facilities that promote and complement such trade;

22 (d) The potential impact that development of the proposed inland
23 port district will have on the immediate area; and

24 (e) The regional and statewide economic impact of development of the
25 proposed inland port district.

26 (3) Any county with a population greater than fifteen ~~twenty~~
27 thousand inhabitants according to the most recent federal census or the
28 most recent revised certified count by the United States Bureau of the
29 Census which encompasses an area greater than three hundred acres
30 eligible to be designated as an inland port district may propose to
31 create an inland port authority by resolution, subject to the cap on the

1 total number of inland port districts provided in subsection (4) of this
2 section. In determining whether to propose the creation of an inland port
3 authority, the county shall consider the following criteria:

4 (a) The desirability and economic feasibility of locating an inland
5 port district within the county;

6 (b) The technical and economic capability of the county and any
7 other public or private entities to plan and carry out development within
8 the proposed inland port district;

9 (c) The strategic location of the proposed inland port district in
10 proximity to existing and potential transportation infrastructure that is
11 conducive to facilitating regional, national, and international trade and
12 the businesses and facilities that promote and complement such trade;

13 (d) The potential impact that development of the proposed inland
14 port district will have on the immediate area; and

15 (e) The regional and statewide economic impact of development of the
16 proposed inland port district.

17 (4) No more than eight ~~five~~ inland port districts may be designated
18 statewide. No more than one inland port district may be designated within
19 the boundaries of a city of the metropolitan class. No inland port
20 authority shall designate more than one inland port district, and no
21 inland port authority may be created without also designating an inland
22 port district.

23 (5) Following the adoption of an ordinance, resolution, or execution
24 of an agreement pursuant to the Interlocal Cooperation Act proposing
25 creation of an inland port authority, the city clerk or county clerk
26 shall transmit a copy of such ordinance, resolution, or agreement to the
27 Department of Economic Development along with an application for approval
28 of the proposal. Upon receipt of such ordinance, resolution, or agreement
29 and application, the department shall evaluate the proposed inland port
30 authority to determine whether the proposal meets the criteria in
31 subsection (1), (2), or (3) of this section, whichever is applicable, as

1 well as any prioritization criteria developed by the department. Upon a
2 determination that the proposed inland port authority sufficiently meets
3 such criteria, the Director of Economic Development shall certify to the
4 city clerk or county clerk whether the proposed creation of such inland
5 port authority exceeds the cap on the total number of inland port
6 districts pursuant to subsection (4) of this section. If the department
7 determines that the proposed inland port authority sufficiently meets
8 such criteria and does not exceed such cap, the inland port authority
9 shall be deemed created. If the proposed inland port authority does not
10 sufficiently meet such criteria or exceeds such cap, the city shall
11 repeal such ordinance, the county shall repeal such resolution, or the
12 city and county or counties shall rescind such agreement and the proposed
13 inland port authority shall not be created.

14 **Sec. 74.** Section 14-102, Revised Statutes Cumulative Supplement,
15 2024, is amended to read:

16 14-102 In addition to the powers granted in section 14-101, cities
17 of the metropolitan class shall have power by ordinance:

18 (1) To levy any tax or special assessment authorized by law;

19 (2) To provide a corporate seal for the use of the city, and also
20 any official seal for the use of any officer, board, or agent of the
21 city, whose duties require an official seal to be used. Such corporate
22 seal shall be used in the execution of municipal bonds, warrants,
23 conveyances, and other instruments and proceedings as required by law;

24 (3) To provide all needful rules and regulations for the protection
25 and preservation of health within the city, including providing for the
26 enforcement of the use of water from public water supplies when the use
27 of water from other sources shall be deemed unsafe;

28 (4) To appropriate money and provide for the payment of debts and
29 expenses of the city;

30 (5) To adopt all such measures as may be deemed necessary for the
31 accommodation and protection of strangers and the traveling public in

1 person and property;

2 (6) To punish and prevent the discharge of firearms, fireworks, or
3 explosives of any description within the city, other than the discharge
4 of firearms at a shooting range pursuant to the Nebraska Shooting Range
5 Protection Act;

6 (7) To regulate the inspection and sale of meats, flour, poultry,
7 fish, milk, vegetables, and all other provisions or articles of food
8 exposed or offered for sale in the city;

9 (8) To require all elected or appointed officers to give bond and
10 security for the faithful performance of their duties, except that no
11 officer shall become bonded and secured upon the official bond of another
12 or upon any bond executed to the city;

13 (9) To require from any officer of the city at any time a report, in
14 detail, of the transactions of his or her office or any matter connected
15 with such office;

16 (10) To provide for the prevention of cruelty to children and
17 animals;

18 (11) To regulate, license, or prohibit the running at large of dogs
19 and other animals within the city as well as in areas within the
20 extraterritorial zoning jurisdiction of the city; to guard against
21 injuries or annoyance from such dogs and other animals; and to authorize
22 the destruction of such dogs and other animals when running at large
23 contrary to the provisions of any ordinance. Any licensing provision
24 shall comply with subsection (2) of section 54-603 for service animals;

25 (12) To provide for keeping sidewalks clean and free from
26 obstructions and accumulations; to provide for the assessment and
27 collection of taxes on real estate and for the sale and conveyance
28 thereof; and to pay the expenses of keeping the sidewalk adjacent to such
29 real estate clean and free from obstructions and accumulations as
30 provided by law;

31 (13) To provide for the planting and protection of shade or

1 ornamental and useful trees upon streets or boulevards; to assess the
2 cost of such trees to the extent of benefits upon the abutting property
3 as a special assessment; to provide for the protection of birds and
4 animals and their nests; to provide for the trimming of trees located
5 upon streets and boulevards or when the branches of trees overhang
6 streets and boulevards when in the judgment of the mayor and city council
7 such trimming is made necessary to properly light such street or
8 boulevard or to furnish proper police protection; and to assess the cost
9 of such trimming upon the abutting property as a special assessment;

10 (14) To provide for, regulate, and require the numbering or
11 renumbering of houses along public streets or avenues; and to care for
12 and control and to name and rename streets, avenues, parks, and squares
13 within the city;

14 (15) To require weeds and worthless vegetation growing upon any lot
15 or piece of ground within the city or its extraterritorial zoning
16 jurisdiction to be cut and destroyed so as to abate any nuisance
17 occasioned by such vegetation; to prohibit and control the throwing,
18 depositing, or accumulation of litter on any lot or piece of ground
19 within the city or its extraterritorial zoning jurisdiction; to require
20 the removal of such litter so as to abate any nuisance occasioned
21 thereby. If the owner fails to cut and destroy weeds and worthless
22 vegetation or remove litter, or both, after notice as required by
23 ordinance, the city may assess the cost of such destruction or removal
24 upon the lots or lands as a special assessment. The required notice may
25 be by publication in the official newspaper of the city and may be
26 directed in general terms to the owners of lots and lands affected
27 without naming such owners;

28 (16) To prohibit and regulate the running at large or the herding or
29 driving of domestic animals, such as hogs, cattle, horses, sheep, goats,
30 fowls, or animals of any kind or description within the corporate limits;
31 to provide for the impounding of all animals running at large, herded, or

1 driven contrary to such prohibition and regulations; and to provide for
2 the forfeiture and sale of animals impounded to pay the expense of taking
3 up, caring for, and selling such impounded animals, including the cost of
4 advertising and fees of officers;

5 (17) To regulate the transportation of articles through the streets
6 and to prevent injuries to the streets from overloaded vehicles;

7 (18) To prevent or regulate any amusement or practice having a
8 tendency to annoy persons passing in the streets or on the sidewalks; and
9 to regulate the use of vehicles propelled by steam, gas, electricity, or
10 other motive power, operated on the streets of the city;

11 (19) To regulate or prohibit the transportation and keeping of
12 gunpowder, oils, and other combustible and explosive articles;

13 (20) To regulate, license, or prohibit the sale of domestic animals
14 or of goods, wares, and merchandise at public auction on the streets,
15 alleys, highways, or any public ground within the city;

16 (21) To regulate and prevent the use of streets, sidewalks, and
17 public grounds for signs, posts, awnings, awning posts, scales, or other
18 like purposes; and to regulate and prohibit the exhibition or carrying or
19 conveying of banners, placards, advertisements, or the distribution or
20 posting of advertisements or handbills in the streets or public grounds
21 or upon the sidewalks;

22 (22) To provide for the punishment of persons disturbing the peace
23 by noise, intoxication, drunkenness, or fighting, or otherwise violating
24 the public peace by indecent or disorderly conduct or by lewd and
25 lascivious behavior;

26 (23) To provide for the punishment of vagrants, tramps, street
27 beggars, prostitutes, disturbers of the peace, pickpockets, gamblers,
28 burglars, thieves, persons who practice any game, trick, or device with
29 intent to swindle, and trespassers upon private property;

30 (24) To prohibit, restrain, and suppress houses of prostitution,
31 opium joints, gambling houses, prize fighting, dog fighting, cock

1 fighting, and other disorderly houses and practices, all games and
2 gambling, and all kinds of indecencies; to regulate and license or
3 prohibit the keeping and use of billiard tables, bowling alleys, shooting
4 galleries except as provided in the Nebraska Shooting Range Protection
5 Act, and other similar places of amusement; and to prohibit and suppress
6 all lotteries and gift enterprises of all kinds under whatsoever name
7 carried on, except that nothing in this subdivision shall be construed to
8 apply to bingo, lotteries, lotteries by the sale of pickle cards, or
9 raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska
10 Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the
11 Nebraska Small Lottery and Raffle Act, or the State Lottery Act;

12 (25) To make and enforce all police regulations for the good
13 government, general welfare, health, safety, and security of the city and
14 the citizens of the city in addition to the police powers expressly
15 granted by law; in the exercise of the police power, to pass all needful
16 and proper ordinances and impose fines, forfeitures, and penalties for
17 the violation of any ordinance; to provide for the recovery, collection,
18 and enforcement of such fines; and in default of payment to provide for
19 confinement in the city or county prison or other place of confinement as
20 may be provided by ordinance;

21 (26) To prevent immoderate driving on the street;

22 (27) To establish and maintain public libraries, art galleries, and
23 museums and to provide the necessary grounds or buildings for such
24 libraries, galleries, and museums; to purchase books, papers, maps,
25 manuscripts, works of art, and objects of natural or of scientific
26 curiosity and instruction for such libraries, galleries, and museums; to
27 receive donations and bequests of money or property for such libraries,
28 galleries, and museums in trust or otherwise; and to pass necessary
29 bylaws and regulations for the protection and government of such
30 libraries, art galleries, and museums;

31 (28) To erect, designate, establish, maintain, and regulate

1 hospitals, houses of correction, jails, station houses, fire engine
2 houses, asphalt repair plants, and other necessary buildings; to erect,
3 designate, establish, maintain, and regulate plants for the removal,
4 disposal, or recycling of garbage and refuse or to make contracts for
5 garbage and refuse removal, disposal, or recycling, or all of the same;
6 and to charge equitable fees for such removal, disposal, or recycling, or
7 all of the same, except as provided by law. The fees collected pursuant
8 to this subdivision shall be credited to a single fund to be used
9 exclusively by the city for the removal, disposal, or recycling of
10 garbage and refuse, or all of the same, including any costs incurred for
11 collecting the fee. Before any contract for such removal, disposal, or
12 recycling is let, the city council shall make specifications for such
13 contract, bids shall be advertised for as now provided by law, and the
14 contract shall be let to the lowest and best bidder, who shall furnish
15 bond to the city conditioned upon his or her carrying out the terms of
16 the contract, the bond to be approved by the city council. Nothing in
17 this section, and no contract or regulation made by the city council,
18 shall be so construed as to prohibit any person, firm, or corporation
19 engaged in any business in which garbage or refuse accumulates as a
20 byproduct from selling, recycling, or otherwise disposing of his, her, or
21 its garbage or refuse or hauling such garbage or refuse through the
22 streets and alleys under such uniform and reasonable regulations as the
23 city council may by ordinance prescribe for the removal and hauling of
24 garbage or refuse;

25 (29) To erect and establish market houses and market places and to
26 provide for the erection of all other useful and necessary buildings for
27 the use of the city and for the protection and safety of all property
28 owned by the city. Such market houses, market places, and buildings may
29 be located on any street, alley, or public ground or on land purchased
30 for such purpose;

31 (30) To prohibit the establishment of additional cemeteries within

1 the limits of the city; to regulate the registration of births and
2 deaths; to direct the keeping and returning of bills of mortality; and to
3 impose penalties on physicians, sextons, and others for any default in
4 the premises;

5 (31) To provide for the inspection of steam boilers, electric light
6 appliances, pipefittings, and plumbings; to regulate their erection and
7 construction; to appoint inspectors; and to declare their powers and
8 duties, except as otherwise provided by law;

9 (32) To enact a fire code and regulate the erection of all buildings
10 and other structures within the corporate limits; to provide for the
11 removal of any buildings or structures or additions to buildings or
12 structures erected contrary to such code or regulations and to provide
13 for the removal of dangerous buildings; but no such code or regulation
14 shall be suspended or modified by resolution, nor shall exceptions be
15 made by ordinance or resolution in favor of any person, firm, or
16 corporation or concerning any particular lot or building; to direct that
17 when any building has been damaged by fire, decay, or otherwise, to the
18 extent of fifty percent of the value of a similar new building above the
19 foundation, shall be torn down or removed; to prescribe the manner of
20 ascertaining such damages and to assess the cost of removal of any
21 building erected or existing contrary to such code or regulations against
22 the lot or real estate upon which such building or structure is located
23 or shall be erected or to collect such costs from the owner of any such
24 building or structure; and to enforce the collection of such costs by
25 civil action in any court of competent jurisdiction;

26 (33) To regulate the construction, use, and maintenance of party
27 walls, to prescribe and regulate the thickness, strength, and manner of
28 constructing stone, brick, wood, or other buildings and the size and
29 shape of brick and other material placed in such buildings; to prescribe
30 and regulate the construction and arrangement of fire escapes and the
31 placing of iron and metallic shutters and doors in or on such fire

1 escapes; to provide for the inspection of elevators; to prescribe,
2 regulate, and provide for the inspection of all plumbing, pipefitting, or
3 sewer connections in all houses or buildings now or hereafter erected; to
4 regulate the size, number, and manner of construction of halls, doors,
5 stairways, seats, aisles, and passageways of theaters and buildings of a
6 public character, whether now built or hereafter to be built, so that
7 there may be convenient, safe, and speedy exit in case of fire; to
8 prevent the dangerous construction and condition of chimneys, fireplaces,
9 hearths, stoves, stovepipes, ovens, boilers, and heating appliances used
10 in or about any building and to cause such appliances to be removed or
11 placed in safe condition when they are considered dangerous; to prevent
12 the deposit of ashes in unsafe places and to cause such buildings and
13 enclosures as may be in a dangerous state to be put in a safe condition;
14 to prevent the disposing of and delivery or use in any building or other
15 structure of unsuitable building material within the city limits and
16 provide for the inspection of building materials; to provide for the
17 abatement of dense volumes of smoke; to regulate the construction of
18 areaways, stairways, and vaults and to regulate partition fences; and to
19 enforce proper heating and ventilation of buildings used for schools or
20 other buildings where large numbers of persons are liable to congregate;

21 (34) To regulate levees, depots and depot grounds, and places for
22 storing freight and goods and to provide for and regulate the laying of
23 tracks and the passage of railways through the streets, alleys, and
24 public grounds of the city;

25 (35) To require the lighting of any railway within the city and to
26 fix and determine the number, size, and style of all fixtures and
27 apparatus necessary for such lighting and the points of location for such
28 lampposts. If any company owning or operating such railways shall fail to
29 comply with such requirements, the city council may cause such lighting
30 to be done and may assess the expense of such lighting against such
31 company. Such expense shall constitute a lien upon any real estate

1 belonging to such company and lying within such city and may be collected
2 in the same manner as taxes for general purposes;

3 (36) To provide for necessary publicity and to appropriate money for
4 the purpose of advertising the resources and advantages of the city;

5 (37) To erect, establish, and maintain offstreet parking areas on
6 publicly owned property located beneath any elevated segment of the
7 National System of Interstate and Defense Highways or portion thereof, or
8 public property title to which is in the city on May 12, 1971, or
9 property owned by the city and used in conjunction with and incidental to
10 city-operated facilities; and to regulate parking on such property by
11 time limitation devices or by lease;

12 (38) To acquire, by the exercise of the power of eminent domain or
13 otherwise, lease, purchase, construct, own, maintain, operate, or
14 contract for the operation of public passenger transportation systems,
15 excluding taxicabs, transportation network companies and railroad
16 systems, including all property and facilities required for such public
17 passenger transportation systems, within and without the limits of the
18 city; to redeem such property from prior encumbrance in order to protect
19 or preserve the interest of the city in such property; to exercise all
20 powers granted by the Constitution of Nebraska and laws of the State of
21 Nebraska or exercised by or pursuant to a home rule charter adopted
22 pursuant thereto, including, but not limited to, receiving and accepting
23 from the government of the United States or any agency thereof, from the
24 State of Nebraska or any subdivision thereof, and from any person or
25 corporation donations, devises, gifts, bequests, loans, or grants for or
26 in aid of the acquisition, operation, and maintenance of such public
27 passenger transportation systems; to administer, hold, use, and apply
28 such donations, devises, gifts, bequests, loans, or grants for the
29 purposes for which such donations, devises, gifts, bequests, loans, or
30 grants may have been made; to negotiate with employees and enter into
31 contracts of employment; to employ by contract or otherwise individuals

1 singularly or collectively; to enter into agreements authorized under the
2 Interlocal Cooperation Act or the Joint Public Agency Act; to contract
3 with an operating and management company for the purpose of operating,
4 servicing, and maintaining any public passenger transportation systems
5 the city shall acquire; and to exercise such other and further powers as
6 may be necessary, incident, or appropriate to the powers of the city; and

7 (39) In addition to powers conferred elsewhere in the laws of the
8 state, to implement and enforce an air pollution control program within
9 the corporate limits of the city under subdivision (23) of section
10 81-1504 or subsection (1) of section 81-1528, which program shall be
11 consistent with the federal Clean Air Act, as amended, 42 U.S.C. 7401 et
12 seq. Such powers shall include without limitation those involving
13 injunctive relief, civil penalties, criminal fines, and burden of proof.
14 Nothing in this section shall preclude the control of air pollution by
15 resolution, ordinance, or regulation not in actual conflict with state
16 air pollution control regulations; and -

17 (40) To regulate any housing agency in a city of the metropolitan
18 class, which may include:

19 (a) Providing for code enforcement and pest control for all
20 properties owned and controlled by such housing agency;

21 (b) Providing for regular inspections of all properties managed by
22 such housing agency;

23 (c) Requiring all properties managed by such housing agency to be
24 registered pursuant to any rental registration ordinance adopted by such
25 city of the metropolitan class;

26 (d) Setting penalties for code violations and failure to properly
27 manage properties; and

28 (e) Requiring monthly updates to the city council of such city of
29 the metropolitan class.

30 **Sec. 75.** Section 18-2102, Revised Statutes Supplement, 2025, is
31 amended to read:

1 18-2102 It is hereby found and declared that there exist in cities
2 of all classes and villages of this state areas which have deteriorated
3 and become substandard and blighted because of the unsafe, insanitary,
4 inadequate, or overcrowded condition of the dwellings therein, or because
5 of inadequate planning of the area, or excessive land coverage by the
6 buildings thereon, or the lack of proper light and air and open space, or
7 because of the defective design and arrangement of the buildings thereon,
8 or faulty street or lot layout, or congested traffic conditions, or
9 economically or socially undesirable land uses, or the lack of affordable
10 housing in the area, or the existence of underdeveloped parcels that have
11 been within the extraterritorial zoning jurisdiction of the city for more
12 than twenty-five years. Such conditions or a combination of some or all
13 of them have resulted and will continue to result in making such areas
14 economic or social liabilities harmful to the social and economic well-
15 being of the entire communities in which they exist, needlessly
16 increasing public expenditures, imposing onerous municipal burdens,
17 decreasing the tax base, reducing tax revenue, substantially impairing or
18 arresting the sound growth of municipalities, aggravating traffic
19 problems, substantially impairing or arresting the elimination of traffic
20 hazards and the improvement of traffic facilities, and depreciating
21 general community-wide values. The existence of such areas contributes
22 substantially and increasingly to the spread of disease and crime,
23 necessitating excessive and disproportionate expenditures of public funds
24 for the preservation of the public health and safety, for crime
25 prevention, correction, prosecution, punishment and the treatment of
26 juvenile delinquency, and for the maintenance of adequate police, fire,
27 and accident protection and other public services and facilities. These
28 conditions are beyond remedy and control solely by regulatory process in
29 the exercise of the police power and cannot be dealt with effectively by
30 the ordinary operations of private enterprise without the aids herein
31 provided. The elimination of such conditions and the acquisition and

1 preparation of land in or necessary to the renewal of substandard and
2 blighted areas and its sale or lease for development or redevelopment in
3 accordance with general plans and redevelopment plans of communities and
4 any assistance which may be given by any state public body in connection
5 therewith are public uses and purposes for which public money may be
6 expended and private property acquired. The necessity in the public
7 interest for the provisions of the Community Development Law is hereby
8 declared to be a matter of legislative determination.

9 It is further found and declared that the prevention and elimination
10 of blight is a matter of state policy, public interest, and statewide
11 concern and within the powers and authority inhering in and reserved to
12 the state, in order that the state and its municipalities shall not
13 continue to be endangered by areas which are focal centers of disease,
14 promote juvenile delinquency, and consume an excessive proportion of
15 their revenue.

16 It is further found and declared that certain substandard and
17 blighted areas, or portions thereof, may require acquisition, clearance,
18 and disposition, subject to use restrictions, as provided in the
19 Community Development Law, since the prevailing conditions of decay may
20 make impracticable the reclamation of the area by conservation or
21 rehabilitation; that other areas or portions thereof may, through the
22 means provided in the Community Development Law, be susceptible of
23 conservation or rehabilitation in such a manner that the conditions and
24 evils, hereinbefore enumerated, may be eliminated, remedied, or
25 prevented; and that salvageable substandard and blighted areas can be
26 conserved and rehabilitated through appropriate public action and the
27 cooperation and voluntary action of the owners and tenants of property in
28 such areas.

29 **Sec. 76.** Section 18-2103, Revised Statutes Supplement, 2025, is
30 amended to read:

31 18-2103 For purposes of the Community Development Law, unless the

1 context otherwise requires:

2 (1) Affordable housing means (a) workforce housing, (b) housing
3 targeted for households earning less than one hundred fifty percent of
4 the median income for the county in which such housing is located, or (c)
5 housing under section 42 of the Internal Revenue Code;

6 (2) Area of operation means and includes the area within the
7 corporate limits of the city, the land that lies within the city's
8 extraterritorial zoning jurisdiction, and such land outside the city and
9 outside the city's extraterritorial zoning jurisdiction as may come
10 within the purview of section ~~sections 18-2123 and~~ 18-2123.01;

11 (3) Authority means any community redevelopment authority created
12 pursuant to section 18-2102.01 and any community development agency
13 created pursuant to section 18-2101.01 and does not include a limited
14 community redevelopment authority;

15 (4) Blighted area means an area (a) which, by reason of the presence
16 of a substantial number of deteriorated or deteriorating structures,
17 existence of defective or inadequate street layout, faulty lot layout in
18 relation to size, adequacy, accessibility, or usefulness, insanitary or
19 unsafe conditions, deterioration of site or other improvements, diversity
20 of ownership, tax or special assessment delinquency exceeding the fair
21 value of the land, defective or unusual conditions of title, improper
22 subdivision, obsolete or no platting, ~~or~~ the existence of conditions
23 which endanger life or property by fire and other causes, or the
24 existence of underdeveloped parcels that have been within the
25 extraterritorial zoning jurisdiction of the city for more than twenty-
26 five years, or any combination of such factors, substantially impairs or
27 arrests the sound growth of the community, retards the provision of
28 housing accommodations, or constitutes an economic or social liability
29 and is detrimental to the public health, safety, morals, or welfare in
30 its present condition and use and (b) in which there is at least one of
31 the following conditions: (i) Unemployment in the designated area is at

1 least one hundred twenty percent of the state or national average; (ii)
2 the average age of the residential or commercial units in the area is at
3 least forty years; (iii) more than half of the plotted and subdivided
4 property in an area is unimproved land that has been within the city for
5 forty years and has remained unimproved during that time; (iv) the per
6 capita income of the area is lower than the average per capita income of
7 the city or village in which the area is designated; (v) the area has had
8 either stable or decreasing population based on the last two decennial
9 censuses; or (vi) less than twenty percent of the housing in the area is
10 affordable housing. In no event shall a city of the metropolitan,
11 primary, or first class designate more than thirty-five percent of the
12 city and the city's extraterritorial zoning jurisdiction as blighted, a
13 city of the second class shall not designate an area larger than fifty
14 percent of the city and the city's extraterritorial zoning jurisdiction
15 as blighted, and a village shall not designate an area larger than one
16 hundred percent of the village and the village's extraterritorial zoning
17 jurisdiction as blighted. A redevelopment project involving a formerly
18 used defense site as authorized under section 18-2123.01, any area which
19 is located within a good life district established under the Good Life
20 Transformational Projects Act, and any area declared to be an extremely
21 blighted area under section 18-2101.02 shall not count towards the
22 percentage limitations contained in this subdivision;

23 (5) Bonds means any bonds, including refunding bonds, notes, interim
24 certificates, debentures, or other obligations issued pursuant to the
25 Community Development Law except for bonds issued pursuant to section
26 18-2142.04;

27 (6) Business means any private business located in an enhanced
28 employment area;

29 (7) City means any city or incorporated village in the state;

30 (8) Clerk means the clerk of the city or village;

31 (9) Community redevelopment area means a substandard and blighted

1 area which the community redevelopment authority designates as
2 appropriate for a redevelopment project;

3 (10) Employee means a person employed at a business as a result of a
4 redevelopment project;

5 (11) Employer-provided health benefit means any item paid for by the
6 employer in total or in part that aids in the cost of health care
7 services, including, but not limited to, health insurance, health savings
8 accounts, and employer reimbursement of health care costs;

9 (12) Enhanced employment area means an area not exceeding six
10 hundred acres (a) within a community redevelopment area which is
11 designated by an authority as eligible for the imposition of an
12 occupation tax or (b) not within a community redevelopment area as may be
13 designated under section 18-2142.04;

14 (13) Equivalent employees means the number of employees computed by
15 (a) dividing the total hours to be paid in a year by (b) the product of
16 forty times the number of weeks in a year;

17 (14) Extremely blighted area means: a

18 (a) A substandard and blighted area in which: (i) (a) The average
19 rate of unemployment in the area during the period covered by the most
20 recent American Community Survey 5-Year Estimate is at least one hundred
21 fifty two hundred percent of the average rate of unemployment in the
22 state during the same period; and (ii) (b) the average poverty rate in
23 the area exceeds fifteen twenty percent for the total federal census
24 tract or tracts or federal census block group or block groups in the
25 area; or

26 (b) A substandard and blighted area that has a higher-than-average
27 unemployment rate and a higher-than-average poverty rate when compared to
28 the rest of the state, as determined by the governing body of the city.
29 In making such determination, the governing body may use any information
30 available to such governing body. This subdivision (b) shall only apply
31 if the governing body determines that the federal data described in

1 subdivision (14)(a) of this section is unreliable or lacking for the area
2 in question;

3 (15) Federal government means the United States of America, or any
4 agency or instrumentality, corporate or otherwise, of the United States
5 of America;

6 (16) Governing body or local governing body means the city council,
7 board of trustees, or other legislative body charged with governing the
8 municipality;

9 (17) Limited community redevelopment authority means a community
10 redevelopment authority created pursuant to section 18-2102.01 having
11 only one single specific limited pilot project authorized;

12 (18) Mayor means the mayor of the city or chairperson of the board
13 of trustees of the village;

14 (19) New investment means the value of improvements to real estate
15 made in an enhanced employment area by a developer or a business;

16 (20) Number of new employees means the number of equivalent
17 employees that are employed at a business as a result of the
18 redevelopment project during a year that are in excess of the number of
19 equivalent employees during the year immediately prior to the year that a
20 redevelopment plan is adopted;

21 (21) Obligee means any bondholder, agent, or trustee for any
22 bondholder, or lessor demising to any authority, established pursuant to
23 section 18-2102.01, property used in connection with a redevelopment
24 project, or any assignee or assignees of such lessor's interest or any
25 part thereof, and the federal government when it is a party to any
26 contract with such authority;

27 (22) Occupation tax means a tax imposed under section 18-2142.02;

28 (23) Person means any individual, firm, partnership, limited
29 liability company, corporation, company, association, joint-stock
30 association, or body politic and includes any trustee, receiver,
31 assignee, or other similar representative thereof;

1 (24) Public body means the state or any municipality, county,
2 township, board, commission, authority, district, or other political
3 subdivision or public body of the state;

4 (25) Real property means all lands, including improvements and
5 fixtures thereon, and property of any nature appurtenant thereto, or used
6 in connection therewith, and every estate, interest and right, legal or
7 equitable, therein, including terms for years and liens by way of
8 judgment, mortgage, or otherwise, and the indebtedness secured by such
9 liens;

10 (26) Redeveloper means any person, partnership, or public or private
11 corporation or agency which enters or proposes to enter into a
12 redevelopment contract;

13 (27) Redevelopment contract means a contract entered into between an
14 authority and a redeveloper for the redevelopment of an area in
15 conformity with a redevelopment plan;

16 (28) Redevelopment plan means a plan, as it exists from time to time
17 for one or more community redevelopment areas, or for a redevelopment
18 project, which (a) conforms to the general plan for the municipality as a
19 whole and (b) is sufficiently complete to indicate such land acquisition,
20 demolition and removal of structures, redevelopment, improvements, and
21 rehabilitation as may be proposed to be carried out in the community
22 redevelopment area, zoning and planning changes, if any, land uses,
23 maximum densities, and building requirements;

24 (29) Redevelopment project means any work or undertaking in one or
25 more community redevelopment areas: (a) To acquire substandard and
26 blighted areas or portions thereof, including lands, structures, or
27 improvements the acquisition of which is necessary or incidental to the
28 proper clearance, development, or redevelopment of such substandard and
29 blighted areas; (b) to clear any such areas by demolition or removal of
30 existing buildings, structures, streets, utilities, or other improvements
31 thereon and to install, construct, or reconstruct streets, utilities,

1 parks, playgrounds, public spaces, public parking facilities, sidewalks
2 or moving sidewalks, convention and civic centers, bus stop shelters,
3 lighting, benches or other similar furniture, trash receptacles,
4 shelters, skywalks and pedestrian and vehicular overpasses and
5 underpasses, enhancements to structures in the redevelopment plan area
6 which exceed minimum building and design standards in the community and
7 prevent the recurrence of substandard and blighted conditions, and any
8 other necessary public improvements essential to the preparation of sites
9 for uses in accordance with a redevelopment plan; (c) to sell, lease, or
10 otherwise make available land in such areas for residential,
11 recreational, commercial, industrial, or other uses, including parking or
12 other facilities functionally related or subordinate to such uses, or for
13 public use or to retain such land for public use, in accordance with a
14 redevelopment plan; and may also include the preparation of the
15 redevelopment plan, the planning, survey, and other work incident to a
16 redevelopment project and the preparation of all plans and arrangements
17 for carrying out a redevelopment project; (d) to dispose of all real and
18 personal property or any interest in such property, or assets, cash, or
19 other funds held or used in connection with residential, recreational,
20 commercial, industrial, or other uses, including parking or other
21 facilities functionally related or subordinate to such uses, or any
22 public use specified in a redevelopment plan or project, except that such
23 disposition shall be at its fair value for uses in accordance with the
24 redevelopment plan; (e) to acquire real property in a community
25 redevelopment area which, under the redevelopment plan, is to be repaired
26 or rehabilitated for dwelling use or related facilities, repair or
27 rehabilitate the structures, and resell the property; (f) to carry out
28 plans for a program of voluntary or compulsory repair, rehabilitation, or
29 demolition of buildings in accordance with the redevelopment plan; and
30 (g) to carry out construction of affordable housing; and (h) to carry out
31 the development of underdeveloped parcels that have been within the

1 extraterritorial zoning jurisdiction of the city for more than twenty-
2 five years;

3 (30) Redevelopment project valuation means the valuation for
4 assessment of the taxable real property in a redevelopment project last
5 certified for the year prior to the effective date of the provision
6 authorized in section 18-2147;

7 (31) Rural community means any municipality in a county with a
8 population of fewer than one hundred thousand inhabitants as determined
9 by the most recent federal decennial census;

10 (32) Substandard area means (a) an area in which less than twenty
11 percent of the housing is affordable housing, (b) an area ~~or~~ in which
12 there is a predominance of buildings or improvements, whether
13 nonresidential or residential in character, which, by reason of
14 dilapidation, deterioration, age or obsolescence, inadequate provision
15 for ventilation, light, air, sanitation, or open spaces, high density of
16 population and overcrowding, or the existence of conditions which
17 endanger life or property by fire and other causes, or any combination of
18 such factors, is conducive to ill health, transmission of disease, infant
19 mortality, juvenile delinquency, and crime, (which cannot be remedied
20 through construction of prisons), and is detrimental to the public
21 health, safety, morals, or welfare, or (c) an area within the city's
22 extraterritorial zoning jurisdiction that contains underdeveloped parcels
23 that have been underdeveloped for more than twenty-five years; and

24 (33) Workforce housing means:

25 (a) Housing that meets the needs of today's working families;

26 (b) Housing that is attractive to new residents considering
27 relocation to a rural community;

28 (c) Owner-occupied housing units that cost not more than two hundred
29 seventy-five thousand dollars to construct or rental housing units that
30 cost not more than two hundred thousand dollars per unit to construct.
31 For purposes of this subdivision (c), housing unit costs shall be updated

1 annually by the Department of Economic Development based upon the most
2 recent increase or decrease in the Producer Price Index for all
3 commodities, published by the United States Department of Labor, Bureau
4 of Labor Statistics;

5 (d) Owner-occupied and rental housing units for which the cost to
6 substantially rehabilitate exceeds fifty percent of a unit's assessed
7 value; and

8 (e) Upper-story housing.

9 **Sec. 77.** Section 18-2108, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 18-2108 An authority shall not acquire real property for a
12 redevelopment project within the corporate limits of a city or a city's
13 extraterritorial zoning jurisdiction unless the governing body of such
14 ~~the city in which the redevelopment project area is located~~ has approved
15 the redevelopment plan, as prescribed in section 18-2116 or 18-2155.

16 **Sec. 78.** Section 18-2123, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 18-2123 Upon a determination, by resolution, of the governing body
19 of the city in which such land is located, that the acquisition and
20 development of undeveloped vacant land, not within a substandard and
21 blighted area, is essential to the proper clearance or redevelopment of
22 substandard and blighted areas or a necessary part of the general
23 community redevelopment program of the city, ~~or that the acquisition and~~
24 ~~development of land outside the city, but within a radius of three miles~~
25 ~~thereof, is necessary or convenient to the proper clearance or~~
26 ~~redevelopment of one or more substandard and blighted areas within the~~
27 ~~city or is a necessary adjunct to the general community redevelopment~~
28 ~~program of the city,~~ the acquisition, planning, and preparation for
29 development or disposal of such land shall constitute a redevelopment
30 project which may be undertaken by the authority in the manner provided
31 in the Community Development Law.

1 **Sec. 79.** Section 18-2123.01, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 18-2123.01 (1) Notwithstanding any other provisions of the Community
4 Development Law to the contrary, a city may undertake a redevelopment
5 project that includes real property located outside the corporate limits
6 of such city and outside the city's extraterritorial zoning jurisdiction
7 if the following requirements have been met:

8 (a) The real property located outside the corporate limits of the
9 city and outside the city's extraterritorial zoning jurisdiction is a
10 formerly used defense site;

11 (b) The formerly used defense site is located within the same county
12 as the city approving such redevelopment project;

13 (c) The formerly used defense site is located within a sanitary and
14 improvement district;

15 (d) The governing body of the city approving such redevelopment
16 project passes an ordinance stating such city's intent to annex the
17 formerly used defense site in the future; and

18 (e) The redevelopment project has been consented to by any city
19 exercising extraterritorial jurisdiction over the formerly used defense
20 site.

21 (2) For purposes of this section, formerly used defense site means
22 real property that was formerly owned by, leased to, or otherwise
23 possessed by the United States and under the jurisdiction of the United
24 States Secretary of Defense. Formerly used defense site does not include
25 missile silos.

26 (3) The inclusion of a formerly used defense site in any
27 redevelopment project under this section shall not result in:

28 (a) Any change in the service area of any electric utility or
29 natural gas utility unless such change has been agreed to by the electric
30 utility or natural gas utility serving the formerly used defense site at
31 the time of approval of such redevelopment project; or

1 (b) Any change in the service area of any communications company as
2 defined in section 77-2734.04 unless (i) such change has been agreed to
3 by the communications company serving the formerly used defense site at
4 the time of approval of such redevelopment project or (ii) such change
5 occurs pursuant to sections 86-135 to 86-138.

6 (4) A city approving a redevelopment project under this section and
7 the county in which the formerly used defense site is located may enter
8 into an agreement pursuant to the Interlocal Cooperation Act in which the
9 county agrees to reimburse such city for any services the city provides
10 to the formerly used defense site after approval of the redevelopment
11 project.

12 **Sec. 80.** Section 18-2147, Revised Statutes Supplement, 2025, is
13 amended to read:

14 18-2147 (1) Any redevelopment plan as originally approved or as
15 later modified pursuant to section 18-2117 may contain a provision that
16 any ad valorem tax levied upon real property, or any portion thereof, in
17 a redevelopment project for the benefit of any public body shall be
18 divided, for the applicable period described in subsection (4) of this
19 section, as follows:

20 (a) That portion of the ad valorem tax which is produced by the levy
21 at the rate fixed each year by or for each such public body upon the
22 redevelopment project valuation shall be paid into the funds of each such
23 public body in the same proportion as are all other taxes collected by or
24 for the body. When there is not a redevelopment project valuation on a
25 parcel or parcels, the county assessor shall determine the redevelopment
26 project valuation based upon the fair market valuation of the parcel or
27 parcels as of January 1 of the year prior to the year that the ad valorem
28 taxes are to be divided. The county assessor shall provide written notice
29 of the redevelopment project valuation to the authority as defined in
30 section 18-2103 and the owner. The authority or owner may protest the
31 valuation to the county board of equalization within thirty days after

1 the date of the valuation notice. All provisions of section 77-1502
2 except dates for filing of a protest, the period for hearing protests,
3 and the date for mailing notice of the county board of equalization's
4 decision are applicable to any protest filed pursuant to this section.
5 The county board of equalization shall decide any protest filed pursuant
6 to this section within thirty days after the filing of the protest. The
7 county clerk shall mail a copy of the decision made by the county board
8 of equalization on protests pursuant to this section to the authority or
9 owner within seven days after the board's decision. Any decision of the
10 county board of equalization may be appealed to the Tax Equalization and
11 Review Commission, in accordance with section 77-5013, within thirty days
12 after the date of the decision;

13 (b) That portion of the ad valorem tax on real property, as provided
14 in the redevelopment contract, bond resolution, or redevelopment plan, as
15 applicable, in the redevelopment project in excess of such amount, if
16 any, shall be allocated to and, when collected, paid into a special fund
17 of the authority to be used solely to pay the principal of, the interest
18 on, and any premiums due in connection with the bonds of, loans, notes,
19 or advances of money to, or indebtedness incurred by, whether funded,
20 refunded, assumed, or otherwise, such authority for financing or
21 refinancing, in whole or in part, the redevelopment project. When such
22 bonds, loans, notes, advances of money, or indebtedness, including
23 interest and premiums due, have been paid, the authority shall so notify
24 the county assessor and county treasurer and all ad valorem taxes upon
25 taxable real property in such a redevelopment project shall be paid into
26 the funds of the respective public bodies. An authority may use a single
27 fund for purposes of this subdivision for all redevelopment projects or
28 may use a separate fund for each redevelopment project; and

29 (c) Any interest and penalties due for delinquent taxes shall be
30 paid into the funds of each public body in the same proportion as are all
31 other taxes collected by or for the public body.

1 (2) To the extent that a redevelopment plan authorizes the division
2 of ad valorem taxes levied upon only a portion of the real property
3 included in such redevelopment plan, any improvements funded by such
4 division of taxes shall be related to the redevelopment plan that
5 authorized such division of taxes.

6 (3)(a) For any redevelopment plan located in a city of the
7 metropolitan class that includes a division of taxes, as provided in this
8 section, that produces, in whole or in part, funds to be used directly or
9 indirectly for (i) new construction, rehabilitation, or acquisition of
10 housing for households with annual incomes below the area median income
11 for households and located within six hundred yards of a public passenger
12 streetcar or (ii) new construction, rehabilitation, or acquisition of
13 single-family housing or condominium housing used as primary residences
14 for individuals with annual incomes below the area median income for
15 individuals, such housing shall be deemed related to the redevelopment
16 plan that authorized such division of taxes regardless of whether such
17 housing is or will be located on real property within such redevelopment
18 plan, as long as such housing supports activities occurring on or
19 identified in such redevelopment plan.

20 (b) During each fiscal year in which the funds described in
21 subdivision (a) of this subsection are available, the authority and city
22 shall make best efforts to allocate not less than thirty percent of such
23 funds to single-family housing deemed related to the redevelopment plan
24 described under such subdivision.

25 (c) In selecting projects to receive funding, the authority and city
26 shall develop a qualified allocation plan and give first priority to
27 financially viable projects that serve the lowest income occupants for
28 the longest period of time.

29 (4)(a) For any redevelopment plan for which more than fifty percent
30 of the property in the redevelopment project area has been declared an
31 extremely blighted area in accordance with section 18-2101.02, ad valorem

1 taxes shall be divided for a period not to exceed twenty years after the
2 effective date as identified in the project redevelopment contract or in
3 the resolution of the authority authorizing the issuance of bonds
4 pursuant to section 18-2124.

5 (b) For all other redevelopment plans, ad valorem taxes shall be
6 divided for a period not to exceed fifteen years after the effective date
7 as identified in the project redevelopment contract, in the resolution of
8 the authority authorizing the issuance of bonds pursuant to section
9 18-2124, or in the redevelopment plan, whichever is applicable.

10 (5) The effective date of a provision dividing ad valorem taxes as
11 provided in subsection (4) of this section shall not occur until such
12 time as the real property in the redevelopment project is within the
13 corporate boundaries of the city or within the city's extraterritorial
14 zoning jurisdiction. This subsection shall not apply to a redevelopment
15 project involving a formerly used defense site as authorized in section
16 18-2123.01.

17 (6) All notices of the provision for dividing ad valorem taxes shall
18 be sent by the authority to the county assessor on forms prescribed by
19 the Property Tax Administrator. The notice shall be sent to the county
20 assessor on or before July 1 of the year of the effective date of the
21 provision. Failure to satisfy the notice requirement of this section
22 shall result in the taxes, for all taxable years affected by the failure
23 to give notice of the effective date of the provision, remaining
24 undivided and being paid into the funds for each public body receiving
25 property taxes generated by the property in the redevelopment project.
26 However, the redevelopment project valuation for the remaining division
27 of ad valorem taxes in accordance with subdivisions (1)(a) and (b) of
28 this section shall be the last certified valuation for the taxable year
29 prior to the effective date of the provision to divide the taxes for the
30 remaining portion of the twenty-year or fifteen-year period pursuant to
31 subsection (4) of this section.

1 **Sec. 81.** Section 18-2155, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 18-2155 (1) The governing body of a city may elect by resolution to
4 allow expedited reviews of redevelopment plans that meet the requirements
5 of subsection (2) of this section. A redevelopment plan that receives an
6 expedited review pursuant to this section shall be exempt from the
7 requirements of sections 18-2111 to 18-2115 and 18-2116.

8 (2) A redevelopment plan is eligible for expedited review under this
9 section if:

10 (a) The redevelopment plan includes only one redevelopment project;

11 (b) The redevelopment project involves:

12 (i) The repair, rehabilitation, or replacement of an existing
13 structure that has been within the corporate limits of the city or the
14 city's extraterritorial zoning jurisdiction for at least twenty-five
15 ~~sixty~~ years and is located within a substandard and blighted area; or

16 (ii) The redevelopment of a vacant platted lot or nonconforming lot
17 of record that is located within a substandard and blighted area that has
18 been within the corporate limits of the city or the city's
19 extraterritorial zoning jurisdiction for at least twenty-five ~~sixty~~ years
20 and has been platted or recorded for at least twenty-five ~~sixty~~ years;

21 (c) The redevelopment project is located in a county with a
22 population of less than one hundred thousand inhabitants; and

23 (d) The assessed value of the property within the redevelopment
24 project area when the project is complete is estimated to be no more
25 than:

26 (i) Three hundred fifty thousand dollars for a redevelopment project
27 involving a single-family residential structure;

28 (ii) One million five hundred thousand dollars for a redevelopment
29 project involving a multi-family residential structure or commercial
30 structure; or

31 (iii) Ten million dollars for a redevelopment project involving the

1 revitalization of a structure included in the National Register of
2 Historic Places.

3 (3) The governing body of a city that elects to allow expedited
4 reviews of redevelopment plans under this section may establish by
5 resolution an annual limit on the number of such redevelopment plans that
6 may be approved by the governing body.

7 (4) The expedited review shall consist of the following steps:

8 (a) A redeveloper shall prepare the redevelopment plan using a
9 standard form developed by the Department of Economic Development. The
10 form shall include (i) the existing uses and condition of the property
11 within the redevelopment project area, (ii) the proposed uses of the
12 property within the redevelopment project area, (iii) the number of years
13 the existing structure or vacant platted lot or nonconforming lot of
14 record has been within the corporate limits of the city or the city's
15 extraterritorial zoning jurisdiction ~~or the number of years that the~~
16 ~~vacant lot has been platted within the corporate limits of the city,~~
17 ~~whichever is applicable,~~ (iv) the current assessed value of the property
18 within the redevelopment project area, (v) the increase in the assessed
19 value of the property within the redevelopment project area that is
20 estimated to occur as a result of the redevelopment project, (vi) an
21 indication of whether the redevelopment project will be financed in whole
22 or in part through the division of taxes as provided in section 18-2147,
23 and (vii) the agreed-upon costs of the redevelopment project;

24 (b) The redeveloper shall submit the redevelopment plan directly to
25 the governing body along with an application fee in an amount set by the
26 governing body, not to exceed fifty dollars. Such application fee shall
27 be separate from any fees for building permits or other permits needed
28 for the project; and

29 (c) The governing body shall determine whether to approve or deny
30 the redevelopment plan within thirty days after submission of the plan. A
31 redevelopment plan may be denied if:

1 (i) The redevelopment plan does not meet the requirements of
2 subsection (2) of this section;

3 (ii) Approval of the redevelopment plan would exceed the annual
4 limit established under subsection (3) of this section; or

5 (iii) The redevelopment plan is inconsistent with the city's
6 comprehensive development plan.

7 (5) Each city may select the appropriate employee or department to
8 conduct expedited reviews pursuant to this section.

9 (6) For any approved redevelopment project that is financed in whole
10 or in part through the division of taxes as provided in section 18-2147:

11 (a) The authority shall incur indebtedness related to the
12 redevelopment project which shall not exceed the lesser of the agreed-
13 upon costs of the redevelopment project or the amount estimated to be
14 generated over a fifteen-year period from the portion of taxes mentioned
15 in subdivision (1)(b) of section 18-2147. Such indebtedness shall not
16 create a general obligation on behalf of the authority or the city in the
17 event that the amount generated over a fifteen-year period from the
18 portion of taxes mentioned in subdivision (1)(b) of section 18-2147 does
19 not equal the costs of the agreed-upon work to repair, rehabilitate, or
20 replace the structure or to redevelop the vacant platted lot or
21 nonconforming lot of record as provided in the redevelopment plan;

22 (b) Upon completion of the agreed-upon work to repair, rehabilitate,
23 or replace the structure or to redevelop the vacant platted lot or
24 nonconforming lot of record as provided in the redevelopment plan, the
25 redeveloper shall notify the county assessor of such completion; and

26 (c) The county assessor shall then determine:

27 (i) Whether the redevelopment project is complete. Redevelopment
28 projects must be completed within two years after the redevelopment plan
29 is approved under this section; and

30 (ii) The assessed value of the property within the redevelopment
31 project area.

1 (7) After the county assessor makes the determinations required
2 under subdivision (6)(c) of this section, the county assessor shall use a
3 standard certification form developed by the Department of Revenue to
4 certify to the authority:

5 (a) That improvements have been made and completed;

6 (b) That a valuation increase has occurred;

7 (c) The amount of the valuation increase; and

8 (d) That the valuation increase was due to the improvements made.

9 (8) Once the county assessor has made the certification required
10 under subsection (7) of this section, the authority may begin to use the
11 portion of taxes mentioned in subdivision (1)(b) of section 18-2147 to
12 pay the indebtedness incurred by the authority under subdivision (6)(a)
13 of this section.

14 (9) The payments shall be remitted to the holder of the
15 indebtedness. The changes made to this subsection by Laws 2023, LB531,
16 shall be retroactive in application and shall apply to redevelopment
17 plans approved prior to, on, or after June 7, 2023.

18 (10) A single fund may be used for all redevelopment projects that
19 receive an expedited review pursuant to this section. It shall not be
20 necessary to create a separate fund for any such project, including a
21 project financed in whole or in part through the division of taxes as
22 provided in section 18-2147.

23 (11) The governing body of a city that elects to allow expedited
24 reviews of redevelopment plans under this section may revoke such
25 election by resolution at any time. The revocation of such election shall
26 not affect the validity of (a) any redevelopment plan or redevelopment
27 project that was approved under this section prior to the revocation of
28 such election or (b) any indebtedness incurred by the authority under
29 subdivision (6)(a) of this section prior to the revocation of such
30 election.

31 **Sec. 82.** Section 18-2705, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 18-2705 (1) Economic development program means any project or
3 program utilizing funds derived from local sources of revenue for the
4 purpose of providing direct or indirect financial assistance to a
5 qualifying business or the payment of related costs and expenses or both,
6 without regard to whether that business is identified at the time the
7 project or program is initiated or is to be determined by specified means
8 at some time in the future.

9 (2) An economic development program may include, but shall not be
10 limited to: (a) Direct loans or grants to qualifying businesses for fixed
11 assets or working capital or both, (b) loan guarantees for qualifying
12 businesses, (c) grants for public works improvements which are essential
13 to the location or expansion of, or the provision of new services by, a
14 qualifying business, (d) grants or loans to qualifying businesses for job
15 training, (e) the purchase of real estate, options for such purchases,
16 and the renewal or extension of such options, (f) grants or loans to
17 qualifying businesses to provide relocation incentives for new residents,
18 (g) the issuance of bonds as provided for in the Local Option Municipal
19 Economic Development Act, and (h) payments for salaries and support of
20 city staff to implement the economic development program or develop an
21 affordable housing action plan, including any such plan required under
22 section 19-5505, or payments for the contracting of such program
23 implementation or plan development to an outside entity.

24 (3) ~~An~~ For cities of the first class, cities of the second class,
25 ~~and villages,~~ an economic development program may also include grants,
26 loans, or funds for construction or rehabilitation for sale or lease of
27 housing (a) for persons of low or moderate income, (b) as part of a
28 workforce housing plan, or (c) as part of an affordable housing action
29 plan, including any such plan required under section 19-5505. ÷

30 ~~(a) Construction or rehabilitation for sale or lease of housing (i)~~
31 ~~for persons of low or moderate income, (ii) as part of a workforce~~

1 ~~housing plan, or (iii) as part of an affordable housing action plan,~~
2 ~~including any such plan required under section 19-5505;~~

3 (4) For cities of the first class, cities of the second class, and
4 villages, an economic development program may also include grants, loans,
5 or funds for:

6 (a) ~~(b)~~ Rural infrastructure development as defined in section
7 66-2102; or

8 (b) ~~(c)~~ Early childhood infrastructure development.

9 (5) ~~(4)~~ An economic development program may be conducted jointly by
10 two or more cities after the approval of the program by the voters of
11 each participating city.

12 **Sec. 83.** Section 18-2709, Revised Statutes Supplement, 2025, is
13 amended to read:

14 18-2709 (1) Qualifying business means any corporation, partnership,
15 limited liability company, or sole proprietorship which derives its
16 principal source of income from any of the following: The manufacture of
17 articles of commerce; the conduct of research and development; the
18 processing, storage, transport, or sale of goods or commodities which are
19 sold or traded in interstate commerce; the sale of services in interstate
20 commerce; headquarters facilities relating to eligible activities as
21 listed in this section; telecommunications activities, including services
22 providing advanced telecommunications capability; tourism-related
23 activities; or the production of films, including feature, independent,
24 and documentary films, commercials, and television programs.

25 (2) Qualifying business also means:

26 (a) ~~A In cities of the first class, cities of the second class, and~~
27 ~~villages,~~ a business that derives its principal source of income from the
28 construction or rehabilitation of housing;

29 (b) In cities of the first class, cities of the second class, and
30 villages, a business that derives its principal source of income from
31 early childhood care and education programs;

1 (c) A business that derives its principal source of income from
2 retail trade. For purposes of this subdivision, retail trade means a
3 business which is principally engaged in the sale of goods or commodities
4 to ultimate consumers for their own use or consumption and not for
5 resale; and

6 (d) In cities with a population of five thousand inhabitants or less
7 as determined by the most recent federal decennial census or the most
8 recent revised certified count by the United States Bureau of the Census,
9 a business shall be a qualifying business even though it derives its
10 principal source of income from activities other than those set out in
11 this section.

12 (3) If a business which would otherwise be a qualifying business
13 employs people and carries on activities in more than one city in
14 Nebraska or will do so at any time during the first year following its
15 application for participation in an economic development program, it
16 shall be a qualifying business only if, in each such city, it maintains
17 employment for the first two years following the date on which such
18 business begins operations in the city as a participant in its economic
19 development program at a level not less than its average employment in
20 such city over the twelve-month period preceding participation.

21 (4) A qualifying business need not be located within the territorial
22 boundaries of the city from which it is or will be receiving financial
23 assistance.

24 (5) Qualifying business does not include a political subdivision, a
25 state agency, or any other governmental entity, except as allowed for
26 cities of the first class, cities of the second class, and villages for
27 rural infrastructure development as provided for in subdivision (4)(a)
28 ~~(3)(b)~~ of section 18-2705.

29 **Sec. 84.** Section 31-735, Revised Statutes Cumulative Supplement,
30 2024, is amended to read:

31 31-735 (1) On the first Tuesday after the second Monday in September

1 which is at least fifteen months after the judgment of the district court
2 creating a sanitary and improvement district and on the first Tuesday
3 after the second Monday in September each two years thereafter, the board
4 of trustees shall cause a special election to be held, at which election
5 a board of trustees shall be elected. The board of trustees shall have
6 five members except as provided in subsection (2) of this section. Each
7 member elected to the board of trustees shall be elected to a term of two
8 years and shall hold office until such member's successor is elected and
9 qualified. Any person desiring to file for the office of trustee may file
10 for such office with the election commissioner, or county clerk in
11 counties having no election commissioner, of the county in which the
12 greater proportion in area of the district is located not later than
13 fifty days before the election. If such person will serve on the board of
14 trustees as a designated representative of a limited partnership, general
15 partnership, limited liability company, public, private, or municipal
16 corporation, estate, or trust which owns real estate in the district, the
17 filing shall indicate that fact and shall include appropriate
18 documentation evidencing such fact. No filing fee shall be required. A
19 person filing for the office of trustee to be elected at the election
20 held four years after the first election of trustees and each election
21 thereafter shall designate whether such person is a candidate for
22 election by the resident owners of such district or a candidate for
23 election by all of the owners of real estate located in the district. If
24 a person filing for the office of trustee is a designated representative
25 of a limited partnership, a general partnership, a limited liability
26 company, a public, private, or municipal corporation, an estate, or a
27 trust which owns real estate in the district, the name of such entity
28 shall accompany the name of the candidate on the ballot in the following
29 form: (Name of candidate) to represent (name of entity) as a member of
30 the board. The name of each candidate shall appear on only one ballot.

31 The name of a person may be written in and voted for as a candidate

1 for the office of trustee, and such write-in candidate may be elected to
2 the office of trustee. A write-in candidate for the office of trustee who
3 will serve as a designated representative of a limited partnership, a
4 general partnership, a limited liability company, a public, private, or
5 municipal corporation, an estate, or a trust which owns real estate in
6 the district shall not be elected to the office of trustee unless (a)
7 each vote is accompanied by the name of the entity which the candidate
8 will represent and (b) within ten days after the date of the election the
9 candidate provides the election commissioner or county clerk with
10 appropriate documentation evidencing the candidate's representation of
11 the entity. Votes cast which do not carry such accompanying designation
12 shall not be counted.

13 A trustee shall be an owner of real estate located in the district
14 or shall be a person designated to serve as a representative on the board
15 of trustees if the real estate is owned by a limited partnership, a
16 general partnership, a limited liability company, a public, private, or
17 municipal corporation, an estate, or a trust. Notice of the date of the
18 election shall be mailed by the clerk of the district not later than
19 sixty-five days prior to the election to each person who is entitled to
20 vote at the election for trustees whose property ownership or lease
21 giving a right to vote is of record on the records of the register of
22 deeds as of a date designated by the election commissioner or county
23 clerk, which date shall be not more than eighty days prior to the
24 election.

25 (2)(a) For any sanitary and improvement district, a person whose
26 ownership or right to vote becomes of record or is received after the
27 date specified pursuant to subsection (1) of this section may vote when
28 such person establishes the right to vote to the satisfaction of the
29 election board. At the first election and at the election held two years
30 after the first election, any person may cast one vote for each trustee
31 for each acre of unplatted land or fraction thereof and one vote for each

1 platted lot which such person may own in the district.

2 (b) This subdivision applies to a district until the board of
3 trustees amends its articles of association pursuant to subdivision (2)
4 (d) of this section. At the elections ~~election~~ held four years and six
5 years after the first election of trustees, two members of the board of
6 trustees shall be elected by the legal property owners resident within
7 such sanitary and improvement district and three members shall be elected
8 by all of the owners of real estate located in the district pursuant to
9 this section. Every resident property owner may cast one vote for a
10 candidate for each office of trustee to be filled by election of resident
11 property owners only. Such resident property owners may also each cast
12 one vote for each acre of unplatted land or fraction thereof and for each
13 platted lot owned within the district for a candidate for each office of
14 trustee to be filled by election of all property owners. For each office
15 of trustee to be filled by election of all property owners of the
16 district, every legal property owner not resident within such sanitary
17 and improvement district may cast one vote for each acre of unplatted
18 land or fraction thereof and one vote for each platted lot which such
19 legal property owner owns in the district. At the election held eight ~~six~~
20 years after the first election of trustees and at each election
21 thereafter, three members of the board of trustees shall be elected by
22 the legal property owners resident within such sanitary and improvement
23 district and two members shall be elected by all of the owners of real
24 estate located in the district pursuant to this section. If there are not
25 any legal property owners resident within such district or if not less
26 than ninety percent of the area of the district is owned for other than
27 residential uses, the five members shall be elected by the legal property
28 owners of all property within such district as provided in this section.

29 (c) Any public, private, or municipal corporation owning any land or
30 lot in the district may vote at an election the same as an individual. If
31 more than fifty percent of the homes in any sanitary and improvement

1 district are used as a second, seasonal, or recreational residence, the
2 owners of such property shall be considered legal property owners
3 resident within such district for purposes of electing trustees. For
4 purposes of voting for trustees, each condominium apartment under a
5 condominium property regime established prior to January 1, 1984, under
6 the Condominium Property Act or established after January 1, 1984, under
7 the Nebraska Condominium Act shall be deemed to be a platted lot and the
8 lessee or the owner of the lessee's interest, under any lease for an
9 initial term of not less than twenty years which requires the lessee to
10 pay taxes and special assessments levied on the leased property, shall be
11 deemed to be the owner of the property so leased and entitled to cast the
12 vote of such property. When ownership of a platted lot or unplatted land
13 is held jointly by two or more persons, whether as joint tenants, tenants
14 in common, limited partners, members of a limited liability company, or
15 any other form of joint ownership, only one person shall be entitled to
16 cast the vote of such property. The executor, administrator, guardian, or
17 trustee of any person or estate interested shall have the right to vote.
18 No corporation, estate, or irrevocable trust shall be deemed to be a
19 resident owner for purposes of voting for trustees. Should two or more
20 persons or officials claim the right to vote on the same tract, the
21 election board shall determine the party entitled to vote. Such board
22 shall select one of their number chairperson and one of their number
23 clerk. In case of a vacancy on such board, the remaining trustees shall
24 fill the vacancy on such board until the next election.

25 (d) For any sanitary and improvement district which has been in
26 existence for at least ten years, which has less than seventy property
27 owners entitled to vote for trustees, which has at least two resident
28 property owners, and in which less than ten percent of the area of the
29 district is owned for other than residential uses, the board of trustees
30 may amend its articles of association as provided in section 31-740.01 to
31 provide for a reduction in the number of trustees on the board from five

1 members to three members to be effective at the beginning of the term of
2 office for the board of trustees elected at the next election. At the
3 next election and at each election thereafter, two members of the board
4 of trustees shall be elected by the legal property owners resident within
5 such sanitary and improvement district and one member shall be elected by
6 all of the owners of real estate located in the district pursuant to this
7 section. Every resident property owner may cast one vote for a candidate
8 for each office of trustee to be filled by election of resident property
9 owners only. Such resident property owners may also each cast one vote
10 for each acre of unplatted land or fraction thereof and for each platted
11 lot owned within the district for a candidate for the office of trustee
12 to be filled by election of all property owners. For the office of
13 trustee to be filled by election of all property owners of the district,
14 every legal property owner not resident within such sanitary and
15 improvement district may cast one vote for each acre of unplatted land or
16 fraction thereof and one vote for each platted lot which such legal
17 property owner owns in the district.

18 (3) The election commissioner or county clerk shall hold any
19 election required by subsection (1) of this section by sealed mail ballot
20 by notifying the board of trustees on or before July 1 of a given year.
21 The election commissioner or county clerk shall, at least twenty days
22 prior to the election, mail a ballot and return envelope to each person
23 who is entitled to vote at the election and whose property ownership or
24 lease giving a right to vote is of record with the register of deeds as
25 of the date designated by the election commissioner or county clerk,
26 which date shall not be more than eighty days prior to the election. The
27 ballot and return envelope shall include: (a) The names and addresses of
28 the candidates; (b) room for write-in candidates; and (c) instructions on
29 how to vote and return the ballot. Such ballots shall be returned in the
30 return envelope to the election commissioner or county clerk no later
31 than 5 p.m. on the date set for the election. If the ballot is not

1 returned in the return envelope, such ballot shall not be counted. If
2 more than one ballot is included in the same return envelope, such
3 ballots shall not be counted and shall be reinserted into the return
4 envelope which shall be resealed and marked rejected.

5 **Sec. 85.** Section 31-741, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 31-741 All contracts for construction work to be done or materials
8 or equipment purchased, the expense of which is more than fifty ~~twenty~~
9 thousand dollars, shall be let to the lowest responsible bidder, upon
10 notice of not less than twenty days, of the terms and conditions of the
11 contract to be let. The board of trustees or the administrator shall have
12 power to reject any and all bids and readvertise for the letting of such
13 work or to negotiate any contract after an unsuccessful public letting.

14 **Sec. 86.** Section 32-112.02, Revised Statutes Cumulative Supplement,
15 2024, is amended to read:

16 32-112.02 Political subdivision shall include a county, city,
17 village, township, school district, public power district, community
18 improvement district, sanitary and improvement district, metropolitan
19 utilities district, rural or suburban fire protection district, natural
20 resources district, regional metropolitan transit authority, community
21 college, learning community coordinating council, educational service
22 unit, hospital district, reclamation district, library board, airport
23 authority, and any other unit of local government of the State of
24 Nebraska.

25 **Sec. 87.** Section 32-404, Revised Statutes Cumulative Supplement,
26 2024, is amended to read:

27 32-404 (1) When any political subdivision holds an election in
28 conjunction with the statewide primary or general election, the election
29 shall be held as provided in the Election Act. Any other election held by
30 a political subdivision shall be held as provided in the act unless
31 otherwise provided by the charter, code, or bylaws of the political

1 subdivision.

2 (2) No later than December 1 of each odd-numbered year, the
3 Secretary of State, election commissioner, or county clerk shall give
4 notice to each political subdivision of the filing deadlines for the
5 statewide primary election. No later than January 5 of each even-numbered
6 year, the governing board of each political subdivision which will hold
7 an election in conjunction with a statewide primary election shall
8 certify to the Secretary of State, the election commissioner, or the
9 county clerk the name of the subdivision, the number of officers to be
10 elected, the length of the terms of office, the vacancies to be filled by
11 election and length of remaining term, and the number of votes to be cast
12 by a registered voter for each office.

13 (3) No later than June 15 of each even-numbered year, the governing
14 board of each reclamation district, county weed district, village, county
15 under township organization, public power district receiving annual gross
16 revenue of less than forty million dollars, or educational service unit
17 which will hold an election in conjunction with a statewide general
18 election shall certify to the Secretary of State, the election
19 commissioner, or the county clerk the name of the subdivision, the number
20 of officers to be elected, the length of the terms of office, the
21 vacancies to be filled by election and length of remaining term, and the
22 number of votes to be cast by a registered voter for each office.

23 (4) The Secretary of State shall prescribe the forms to be used for
24 certification to him or her, and the election commissioner or county
25 clerk shall prescribe the forms to be used for certification to him or
26 her.

27 (5) Each city, village, township, school district, public power
28 district, community improvement district, sanitary and improvement
29 district, metropolitan utilities district, fire protection district,
30 natural resources district, regional metropolitan transit authority,
31 community college area, learning community coordinating council,

1 educational service unit, hospital district, reclamation district,
2 library board, and airport authority shall furnish to the Secretary of
3 State and election commissioner or county clerk any maps and additional
4 information which the Secretary of State and election commissioner or
5 county clerk may require in the proper performance of their duties in the
6 conduct of elections and certification of results.

7 **Sec. 88.** Section 32-608, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 32-608 (1) Except as provided in subsection (4) or (5) of this
10 section, a filing fee shall be paid by or on behalf of each candidate
11 prior to filing for office. For candidates who file in the office of the
12 Secretary of State as provided in subdivision (2)(a) of section 32-607,
13 the filing fee shall be paid to the Secretary of State who shall remit
14 the fee to the State Treasurer for credit to the Election Administration
15 Fund. For candidates for any city or village office, the filing fee shall
16 be paid to the city or village treasurer of the city or village in which
17 the candidate resides. For candidates who file in the office of the
18 election commissioner or county clerk, the filing fee shall be paid to
19 the election commissioner or county clerk in the county in which the
20 office is sought. The election commissioner or county clerk shall remit
21 the fee to the county treasurer. The fee shall be placed in the general
22 fund of the county, city, or village. No candidate filing forms shall be
23 filed until the proper payment or the proper receipt showing the payment
24 of such filing fee is presented to the filing officer. On the day of the
25 filing deadline, the city or village treasurer's office shall remain open
26 to receive filing fees until the hour of the filing deadline.

27 (2) Except as provided in subsection (4) or (5) of this section, the
28 filing fees shall be as follows:

29 (a) For the office of United States Senator, state officers,
30 including members of the Legislature, Representatives in Congress, county
31 officers, and city or village officers, except the mayor or council

1 members of cities having a home rule charter, a sum equal to one percent
2 of the annual salary as of November 30 of the year preceding the election
3 for the office for which he or she files as a candidate;

4 (b) For directors of public power and irrigation districts in
5 districts receiving annual gross revenue of forty million dollars or
6 more, twenty-five dollars, and in districts receiving annual gross
7 revenue of less than forty million dollars, ten dollars;

8 (c) For directors of reclamation districts, ten dollars; and

9 (d) For Regents of the University of Nebraska, members of the State
10 Board of Education, and directors of metropolitan utilities districts,
11 twenty-five dollars.

12 (3) All declared write-in candidates shall pay the filing fees that
13 are required for the office at the time that they present the write-in
14 affidavit to the filing officer.

15 (4) No filing fee shall be required for any candidate filing for an
16 office in which a per diem is paid rather than a salary or for which
17 there is a salary of less than five hundred dollars per year. No filing
18 fee shall be required for any candidate for membership on a school board,
19 on the board of an educational service unit, on the board of governors of
20 a community college area, on the board of directors of a natural
21 resources district, ~~or~~ on the board of trustees of a community
22 improvement district, or on the board of trustees of a sanitary and
23 improvement district.

24 (5) No filing fee shall be required of any candidate completing an
25 affidavit requesting to file for elective office in forma pauperis. A
26 pauper shall mean a person whose income and other resources for
27 maintenance are found under assistance standards to be insufficient for
28 meeting the cost of his or her requirements and whose reserve of cash or
29 other available resources does not exceed the maximum available resources
30 that an eligible individual may own. Available resources shall include
31 every type of property or interest in property that an individual owns

1 and may convert into cash except:

2 (a) Real property used as a home;

3 (b) Household goods of a moderate value used in the home; and

4 (c) Assets to a maximum value of three thousand dollars used by a
5 recipient in a planned effort directed towards self-support.

6 (6) If any candidate dies prior to an election, the spouse of the
7 candidate may file a claim for refund of the filing fee with the proper
8 governing body prior to the date of the election. Upon approval of the
9 claim by the proper governing body, the filing fee shall be refunded.

10 **Sec. 89.** Section 32-1203, Revised Statutes Cumulative Supplement,
11 2024, is amended to read:

12 32-1203 (1) Each city, village, township, school district, public
13 power district, community improvement district, sanitary and improvement
14 district, metropolitan utilities district, fire protection district,
15 natural resources district, regional metropolitan transit authority,
16 community college area, learning community coordinating council,
17 educational service unit, hospital district, reclamation district,
18 library board, and airport authority shall pay for the costs of
19 nominating and electing its officers as provided in subsection (2), (3),
20 or (4) of this section. If a special issue is placed on the ballot at the
21 time of the statewide primary or general election by any political
22 subdivision, the political subdivision shall pay for the costs of the
23 election as provided in subsection (2), (3), or (4) of this section.

24 (2) The charge for each primary and general election shall be
25 determined by (a) ascertaining the total cost of all chargeable costs as
26 described in section 32-1202, (b) dividing the total cost by the number
27 of precincts participating in the election to fix the cost per precinct,
28 (c) prorating the cost per precinct by the inked ballot inch in each
29 precinct for each political subdivision, and (d) totaling the cost for
30 each precinct for each political subdivision, except that the minimum
31 charge for each primary and general election for each political

1 subdivision shall be one hundred dollars.

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

5 (4) In lieu of the charge determined pursuant to subsection (2) of
6 this section, the election commissioner or county clerk may bill school
7 districts directly for the costs of an election held under section
8 10-703.01.

9 **Sec. 90.** Section 32-1302, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 32-1302 (1) Except for trustees of community improvement districts
12 and sanitary and improvement districts, any elected official of a
13 political subdivision and any elected member of the governing bodies of
14 cities, villages, counties, irrigation districts, natural resources
15 districts, public power districts, school districts, community college
16 areas, educational service units, hospital districts, and metropolitan
17 utilities districts may be removed from office by recall pursuant to
18 sections 32-1301 to 32-1309. A trustee of a community improvement
19 district may be removed from office by recall pursuant to sections 52 to
20 59 of this act. A trustee of a sanitary and improvement district may be
21 removed from office by recall pursuant to sections 31-786 to 31-793.

22 (2) If due to reapportionment the boundaries of the area served by
23 the official or body change, the recall procedure and special election
24 provisions of sections 32-1301 to 32-1309 shall apply to the registered
25 voters within the boundaries of the new area.

26 (3) The recall procedure and special election provisions of such
27 sections shall apply to members of the governing bodies listed in
28 subsection (1) of this section, other than community improvement
29 districts and sanitary and improvement districts, who are elected by
30 precinct, district, or subdistrict of the political subdivision. Only
31 registered voters of such member's precinct, district, or subdistrict may

1 sign a recall petition or vote at the recall election. The recall
2 election shall be held within the member's precinct, district, or
3 subdistrict. When an elected member is nominated by precinct, district,
4 or subdistrict in the primary election and elected at large in the
5 general election, the recall provisions shall apply to the registered
6 voters at the general election.

7 (4) The recall procedure and special election provisions shall apply
8 to the mayor and members of the city council of municipalities with a
9 home rule charter notwithstanding any contrary provisions of the home
10 rule charter.

11 **Sec. 91.** Section 71-1572, Revised Statutes Cumulative Supplement,
12 2024, is amended to read:

13 71-1572 Sections 71-1572 to 71-15,170 and section 93 of this act
14 shall be known and may be cited as the Nebraska Housing Agency Act.

15 **Sec. 92.** Section 71-15,169, Revised Statutes Cumulative Supplement,
16 2024, is amended to read:

17 71-15,169 (1) A housing agency for a city of the metropolitan class
18 shall establish a complaint process. Any resident of an agency property
19 may file a complaint by any of the following means:

20 (a) A complaint form filled out online on the housing agency's
21 website;

22 (b) A telephone call made to a housing agency; or

23 (c) A complaint form filled out in person. Such complaint form shall
24 be made available at designated offices.

25 (2) The complaint form, whether completed by the complainant online,
26 in-person, or by a housing agency employee answering a telephone call
27 complaint, shall include the following information:

28 (a) The name of the complainant;

29 (b) Contact information including the telephone number, email
30 address, and mailing address of the complainant;

31 (c) The nature of the complaint, including, but not limited to,

1 whether a maintenance issue, a discrimination claim, or a rent dispute;
2 and

3 (d) Relevant dates.

4 (3) Notice of the right to file a complaint up until the time of an
5 eviction shall be included on both the online and printed complaint form.

6 (4) The complainant may provide any supporting documentation with
7 the complaint, including, but not limited to, photographs or digital
8 images, receipts, and correspondence.

9 (5) Upon receipt of the complaint, the agency shall send an
10 acknowledgment to the complainant by email or regular first-class mail
11 within five business days. Each complaint shall be assigned a unique case
12 number for tracking purposes.

13 (6) The agency shall conduct a thorough investigation of the
14 complaint, including, but not limited to, interviewing relevant parties,
15 inspecting property and relevant documents, and reviewing applicable laws
16 and regulations.

17 (7) The housing authority shall resolve the complaint within
18 fourteen days after receipt of the complaint. If additional time is
19 required, the complainant shall be notified and provided with an updated
20 timeline. Throughout the investigation, the agency shall provide the
21 complainant with regular updates on the status of the complaint by email,
22 telephone, or regular first-class mail.

23 (8) The agency shall notify the complainant of the resolution of the
24 complaint in writing within five business days after such resolution. The
25 notice shall include (a) a summary of the investigation findings, (b) the
26 action taken to address the complaint, (c) any remedies or compensation
27 provided, (d) information on how to file a complaint with the political
28 subdivision responsible for code enforcement, if applicable, and (e)
29 information about the city's complaint process if the complainant is not
30 satisfied with the resolution of the complaint.

31 (9) A complainant who is dissatisfied with the resolution of his or

1 her complaint may bring an action against the agency under the terms of
2 his or her lease agreement.

3 (10) (9) The agency shall invite the complainant to provide feedback
4 on the complainant's experience with the complaint process, including
5 suggestions for improvement.

6 (11) (10) The agency shall monitor complaint trends, analyze root
7 causes, and report on complaint resolution statistics regularly to
8 identify areas for improvement. The agency shall submit a report to the
9 commissioners at every board meeting detailing (a) the number of
10 complaints filed, (b) the nature of such complaints, (c) the status of
11 completed and pending inspections, and (d) the number of unfilled
12 inspector positions within the housing agency. The report shall also be
13 made available to the public on the agency's website and at the agency's
14 office.

15 (12) (11) The agency shall inform persons applying for housing about
16 the complaint process during the resident application process and inform
17 residents about the complaint process (a) annually, (b) at the time a
18 complaint is filed, and (c) by posting on the agency's website and on any
19 public boards in any common housing spaces.

20 **Sec. 93.** A housing agency for a city of the metropolitan class
21 shall submit a report every six months to such city of the metropolitan
22 class and to the Urban Affairs Committee of the Legislature. The report
23 shall include:

24 (1) Information regarding any pest control management activities
25 undertaken during the six-month period covered by the report;

26 (2) The number of eviction filings during the six-month period
27 covered by the report;

28 (3) The number and nature of complaints or grievances filed during
29 the six-month period covered by the report and their resolutions;

30 (4) Current vacancy rates; and

31 (5) Any relevant updates from meetings of the agency's board of

1 commissioners.

2 **Sec. 94.** Section 77-1701, Revised Statutes Supplement, 2025, is
3 amended to read:

4 77-1701 (1) The county treasurer shall be ex officio county
5 collector of all taxes levied within the county. The county board shall
6 designate a county official to mail or otherwise deliver a statement of
7 the amount of taxes due and a notice that special assessments are due, to
8 the last-known address of the person, firm, association, or corporation
9 against whom such taxes or special assessments are assessed or to the
10 lending institution or other party responsible for paying such taxes or
11 special assessments. Such statement shall clearly indicate, for each
12 political subdivision, the amount of property taxes due to fund any and
13 all public safety services as defined in section 13-320, county
14 attorneys, and public defenders, regardless of whether such amount is
15 taken as an exception to the political subdivision's property tax request
16 authority under section 13-3404. Such statement shall also clearly
17 indicate, for each political subdivision, the levy rate and the amount of
18 taxes due as the result of principal or interest payments on bonds issued
19 by the political subdivision and shall show such rate and amount separate
20 from any other levy. When taxes on real property are delinquent for a
21 prior year, the county treasurer shall indicate this information on the
22 current year tax statement in bold letters. The information provided
23 shall inform the taxpayer that delinquent taxes and interest are due for
24 the prior year or years and shall indicate the specific year or years for
25 which such taxes and interest remain unpaid. The language shall read
26 "Back Taxes and Interest Due For", followed by numbers to indicate each
27 year for which back taxes and interest are due and a statement indicating
28 that failure to pay the back taxes and interest may result in the loss of
29 the real property. Failure to receive such statement or notice shall not
30 relieve the taxpayer from any liability to pay such taxes or special
31 assessments and any interest or penalties accrued thereon. In any county

1 in which a city of the metropolitan class is located, all statements of
2 taxes shall also include notice that special assessments for cutting
3 weeds, removing litter, and demolishing buildings are due.

4 (2) Notice that special assessments are due shall not be required
5 for special assessments levied by community improvement districts
6 organized under the Community Improvement District Act or sanitary and
7 improvement districts organized under Chapter 31, article 7, except that
8 such notice may be provided by the county at the discretion of the county
9 board or by the community improvement district or the sanitary and
10 improvement district with the approval of the county board.

11 (3) A statement of the amount of taxes due and a notice that special
12 assessments are due shall not be required to be mailed or otherwise
13 delivered pursuant to subsection (1) of this section if the total amount
14 of the taxes and special assessments due is less than two dollars.
15 Failure to receive the statement or notice shall not relieve the taxpayer
16 from any liability to pay the taxes or special assessments but shall
17 relieve the taxpayer from any liability for interest or penalties. Taxes
18 and special assessments of less than two dollars shall be added to the
19 amount of taxes and special assessments due in subsequent years and shall
20 not be considered delinquent until the total amount is two dollars or
21 more.

22 **Sec. 95.** Section 77-1838, Revised Statutes Supplement, 2025, is
23 amended to read:

24 77-1838 (1) The deed made by the county treasurer shall be under the
25 official seal of office and acknowledged by the county treasurer before
26 some officer authorized to take the acknowledgment of deeds. When so
27 executed and acknowledged, it shall be recorded in the same manner as
28 other conveyances of real estate. When recorded it shall vest in the
29 grantee and his or her heirs and assigns the title of the property
30 described in the deed, subject to any lien on real estate for special
31 assessments levied by a community improvement district or a sanitary and

1 improvement district which special assessments have not been previously
2 offered for sale by the county treasurer.

3 (2) Within thirty days after recording of the deed, the grantee
4 shall pay the surplus to the previous owner of the property described in
5 the deed. For purposes of this subsection, the surplus shall be
6 calculated as follows:

7 (a) If the property has been sold since recording of the deed, the
8 surplus shall be equal to the amount received from such sale, minus (i)
9 the amount that would have been needed to redeem such property, (ii) the
10 amount needed to pay all encumbrances on such property, and (iii) an
11 administrative fee of five hundred dollars or reasonable attorney's fees
12 in the event of judicial foreclosure, which may be retained by the
13 grantee to offset the costs incurred in obtaining the deed; or

14 (b) If the property has not been sold since recording of the deed,
15 the surplus shall be equal to the assessed value of such property as
16 reflected in the records of the county assessor at the time of the
17 application for the tax deed, minus (i) the amount that would have been
18 needed to redeem such property, (ii) the amount needed to pay all
19 encumbrances on such property, and (iii) an administrative fee of five
20 hundred dollars or reasonable attorney's fees in the event of judicial
21 foreclosure, which may be retained by the grantee to offset the costs
22 incurred in obtaining the deed.

23 **Sec. 96.** Section 77-1842, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 77-1842 Deeds made by the county treasurer shall be presumptive
26 evidence in all courts of this state, in all controversies and suits in
27 relation to the rights of the purchaser and his or her heirs or assigns
28 to the real property thereby conveyed, of the following facts: (1) That
29 the real property conveyed was subject to taxation for the year or years
30 stated in the deed; (2) that the taxes were not paid at any time before
31 the sale; (3) that the real property conveyed had not been redeemed from

1 the sale at the date of the deed; (4) that the property had been listed
2 and assessed; (5) that the taxes were levied according to law; (6) that
3 the property was sold for taxes as stated in the deed; (7) that the
4 notice had been served or due publication made as required in sections
5 77-1831 to 77-1835 before the time of redemption had expired; (8) that
6 the manner in which the listing, assessment, levy, and sale were
7 conducted was in all respects as the law directed; (9) that the grantee
8 named in the deed was the purchaser or his or her assignee; and (10) that
9 all the prerequisites of the law were complied with by all the officers
10 who had or whose duty it was to have had any part or action in any
11 transaction relating to or affecting the title conveyed or purporting to
12 be conveyed by the deed, from the listing and valuation of the property
13 up to the execution of the deed, both inclusive, and that all things
14 whatsoever required by law to make a good and valid sale and to vest the
15 title in the purchaser, subject to any lien on real estate for special
16 assessments levied by a community improvement district or a sanitary and
17 improvement district which special assessments have not been previously
18 offered for sale by the county treasurer, were done.

19 **Sec. 97.** Section 77-1858, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 77-1858 Wherever power is now given by the revenue laws of this
22 state to the county treasurer of any county in this state to sell real
23 estate, on which the taxes have not been paid as provided by law, it
24 shall include the power to sell the real estate for (1) all the taxes and
25 special assessments, except special assessments levied by a community
26 improvement district organized under the Community Improvement District
27 Act or a sanitary and improvement district organized under sections
28 31-727 to 31-762, levied or hereafter levied by any county, municipality,
29 drainage district, or other political subdivision of the state and (2)
30 all special assessments levied or hereafter levied by any community
31 improvement district or sanitary and improvement district if such sale is

1 requested by such community improvement district or sanitary and
2 improvement district which levied the special assessment. All provisions
3 of the revenue law now in force with reference to the collection of taxes
4 shall apply with equal force to all taxes and special assessments levied
5 by such county, municipality, drainage district, or other political
6 subdivision of the state.

7 **Sec. 98.** Section 77-1901, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-1901 Counties shall have a lien upon real estate within their
10 boundaries for all taxes due thereon to the state, any governmental
11 subdivision of the state, any municipal corporation, and any drainage or
12 irrigation district. After any parcel of real estate has been offered for
13 sale and not sold for want of bidders, the county board shall make and
14 enter an order directing the county attorney to foreclose the lien for
15 all taxes then delinquent, excluding any lien on real estate for special
16 assessments levied by any community improvement district or sanitary and
17 improvement district which special assessments have not been previously
18 offered for sale by the county treasurer, in the same manner and with
19 like effect as in the foreclosure of real estate mortgages, except as
20 otherwise specifically provided by sections 77-1903 to 77-1917.

21 **Sec. 99.** Section 77-1902, Revised Statutes Supplement, 2025, is
22 amended to read:

23 77-1902 (1) When land has been sold for delinquent taxes and a tax
24 sale certificate or tax deed has been issued, the holder of such tax sale
25 certificate or tax deed may, instead of demanding a deed or, if a deed
26 has been issued, by surrendering the same in court, proceed in the
27 district court of the county in which the land is situated to foreclose
28 the lien for taxes represented by the tax sale certificate or tax deed
29 and all subsequent tax liens thereon, excluding any lien on real estate
30 for special assessments levied by any community improvement district or
31 sanitary and improvement district which special assessments have not been

1 previously offered for sale by the county treasurer, in the same manner
2 and with like effect as in the foreclosure of a real estate mortgage,
3 except as otherwise specifically provided by sections 77-1903 to 77-1917.

4 (2) Such action shall be brought within whichever of the following
5 two timeframes is applicable:

6 (a) For real estate determined to be vacant and abandoned pursuant
7 to subsection (3) of this section, the action shall be brought within
8 nine months after the expiration of two years from the date of sale of
9 the real estate for taxes or special assessments; or

10 (b) For any other real estate, the action shall be brought within
11 nine months after the expiration of three years from the date of sale of
12 the real estate for taxes or special assessments.

13 (3)(a) For purposes of this section, real estate may be considered
14 vacant and abandoned if:

15 (i) The holder of the tax sale certificate or tax deed is a land
16 bank as defined in section 18-3403; and

17 (ii) Such property substantially meets more than two of the
18 following criteria:

19 (A) The property is not occupied by the owner or any lessee or
20 licensee of the owner;

21 (B) Utility service to the property, including, but not limited to,
22 gas, electric, or water service, has been disconnected or delinquent for
23 over one year;

24 (C) A building on the property has been deemed unfit for human
25 habitation, occupancy, or use by local housing officials;

26 (D) A building on the property is open and unprotected and in
27 reasonable danger of significant damage resulting from exposure to the
28 elements or vandalism;

29 (E) A building on the property is unsecure due to multiple windows
30 and doors being boarded up or closed off, smashed through, broken off or
31 unhinged, or continuously unlocked;

1 (F) The property has been stripped of copper or other materials or
2 interior fixtures to the property have been removed;

3 (G) There have not been any recent efforts made to restore the
4 property to productive use;

5 (H) There is a presence of vermin, uncut vegetation, or debris
6 accumulation on the property;

7 (I) There have been past actions by the applicable municipality or
8 county to maintain the grounds or a building on the property;

9 (J) The property has been out of compliance with orders of local
10 housing officials; or

11 (K) Any other condition or circumstance reasonably indicating that
12 the property is vacant and abandoned.

13 (b) The holder of the tax sale certificate or tax deed shall
14 determine whether or not real estate is vacant and abandoned two years
15 after the date of the sale of such real estate for taxes or special
16 assessments.

17 (c) If the real estate is registered as vacant and abandoned
18 pursuant to a vacant property registration ordinance adopted by a
19 municipality, it shall be conclusive proof that such real estate is
20 vacant and abandoned. If the real estate is not registered as vacant and
21 abandoned pursuant to such an ordinance, the holder of the tax sale
22 certificate or tax deed shall not be obligated to proceed under
23 subdivision (2)(a) of this section, but may instead choose to proceed
24 under subdivision (2)(b) of this section, and no deed subsequently issued
25 to such holder shall be deemed invalid due to noncompliance with
26 subdivision (2)(a) of this section. No action taken by a holder of a tax
27 sale certificate or tax deed under subdivision (2)(a) of this section
28 shall prohibit a subsequent action under subdivision (2)(b) of this
29 section on the same real estate should it be determined that such real
30 estate is not vacant and abandoned.

31 (d) If the holder of the tax sale certificate or tax deed determines

1 real estate to be vacant and abandoned pursuant to this subsection, the
2 holder shall submit an affidavit to the county treasurer affirming that
3 the real estate is vacant and abandoned.

4 **Sec. 100.** Section 77-1909, Revised Statutes Supplement, 2025, is
5 amended to read:

6 77-1909 In its decree, the court shall ascertain and determine the
7 amount of taxes, special assessments, and other liens, interest, and
8 costs chargeable to each particular item of real property, excluding any
9 lien on real estate for special assessments levied by any community
10 improvement district or sanitary and improvement district which special
11 assessments have not been previously offered for sale by the county
12 treasurer, and award to the plaintiff an attorney's fee, unless waived by
13 the plaintiff, in an amount equal to ten percent of the amount due plus,
14 for good cause shown, reasonable attorney's fees in excess of the ten
15 percent, which shall be taxed as part of the costs in the action and
16 apportioned equitably as other costs.

17 **Sec. 101.** Section 77-1914, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-1914 Upon confirmation of the sale, the clerk of the district
20 court shall certify to the county treasurer the year or years of the
21 taxes for which the real property was sold. The county treasurer shall
22 thereupon cancel the taxes for such years, and the proceedings shall
23 operate as a release of such real property from all liens for the taxes
24 included on the real property. The delivery of the sheriff's deed shall
25 pass title to the purchaser free and clear of all liens and interests of
26 all persons who were parties to the proceedings, who received service of
27 process, and over whom the court had jurisdiction, excluding any lien on
28 real estate for special assessments levied by any community improvement
29 district or sanitary and improvement district which special assessments
30 have not been previously offered for sale by the county treasurer.

31 **Sec. 102.** Section 77-1915, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 77-1915 From the proceeds of the sale of any real property, the
3 costs charged thereto shall first be paid. When the plaintiff is a
4 private person, firm, or corporation, the balance thereof, or so much
5 thereof as is necessary, shall be paid to the plaintiff. When the
6 plaintiff is a governmental subdivision other than a land bank, or is a
7 municipal corporation or drainage or irrigation district, the balance
8 thereof, or so much thereof as is necessary, shall be paid to the county
9 treasurer for distribution to the various governmental subdivisions,
10 municipal corporations, or drainage or irrigation districts entitled
11 thereto in discharge of all claims, excluding any lien on real estate for
12 special assessments levied by any community improvement district or
13 sanitary and improvement district which special assessments have not been
14 previously offered for sale by the county treasurer. When the plaintiff
15 is a land bank, the balance thereof, or so much thereof as is necessary,
16 shall be paid to the land bank.

17 **Sec. 103.** Section 77-1916, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-1916 If a surplus remains after satisfying all costs and taxes
20 against any particular item of real property, the excess shall be applied
21 in the manner provided by law for the disposition of the surplus in the
22 foreclosure of mortgages on real property. If the proceeds are
23 insufficient to pay the costs and all the taxes, when the plaintiff is a
24 governmental subdivision other than a land bank or is a municipal
25 corporation or a drainage or irrigation district, the amount remaining
26 shall be prorated among the governmental subdivisions, municipal
27 corporations, and drainage or irrigation districts in the proportion of
28 their interest in the decree of foreclosure. The proceeds of the sale of
29 one item of real property shall not be applied to the discharge of a lien
30 for taxes against another item of real property except when so directed
31 by the decree for foreclosure under the circumstances set forth in

1 section 77-1910. The lien on real estate for special assessments levied
2 by any community improvement district or sanitary and improvement
3 district shall not be entitled to any surplus unless such special
4 assessments have been previously offered for sale by the county
5 treasurer.

6 **Sec. 104.** Section 77-1917.01, Reissue Revised Statutes of Nebraska,
7 is amended to read:

8 77-1917.01 All cities, villages, community improvement districts,
9 and sanitary and improvement districts in Nebraska shall have a lien upon
10 real estate within their boundaries for all special assessments due
11 thereon to the municipal corporation or district, which lien shall be
12 inferior only to general taxes levied by the state and its political
13 subdivisions. When such special assessments have become delinquent,
14 without the real property against which they are assessed being first
15 offered at tax sale by the tax sale certificate method or otherwise, the
16 municipal corporation or district involved may itself as party plaintiff
17 proceed in the district court of the county in which the real estate is
18 situated to foreclose, in its own name, the lien for such delinquent
19 special assessments in the same manner and with like effect as in the
20 foreclosure of a real estate mortgage, except as otherwise specifically
21 provided by sections 77-1903 to 77-1917, which shall govern when
22 applicable. Final confirmation of sale in such foreclosure proceeding and
23 issuance of deed to the plaintiff, or its assignee, cannot be had until
24 two years have expired from the date of the sale held by the sheriff,
25 and, after expiration of such two-year period, personal notice has been
26 served on occupants of the real property. The remedy granted in this
27 section to cities, villages, community improvement districts, and
28 sanitary and improvement districts for the collection of delinquent
29 special assessments shall be cumulative and in addition to other existing
30 methods.

31 **Sec. 105.** Section 77-3442, Revised Statutes Supplement, 2025, is

1 amended to read:

2 77-3442 (1) Property tax levies for the support of local governments
3 for fiscal years beginning on or after July 1, 1998, shall be limited to
4 the amounts set forth in this section except as provided in section
5 77-3444.

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

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

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

24 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
25 of this section are (i) amounts levied to pay for current and future sums
26 agreed to be paid by a school district to certificated employees in
27 exchange for a voluntary termination of employment occurring prior to
28 September 1, 2017, (ii) amounts levied by a school district otherwise at
29 the maximum levy pursuant to subdivision (2)(a) of this section to pay
30 for current and future qualified voluntary termination incentives for
31 certificated teachers pursuant to subsection (3) of section 79-8,142 that

1 are not otherwise included in an exclusion pursuant to subdivision (2)(d)
2 of this section, (iii) amounts levied by a school district otherwise at
3 the maximum levy pursuant to subdivision (2)(a) of this section to pay
4 for seventy-five percent of the current and future sums agreed to be paid
5 to certificated employees in exchange for a voluntary termination of
6 employment occurring between September 1, 2017, and August 31, 2018, as a
7 result of a collective-bargaining agreement in force and effect on
8 September 1, 2017, that are not otherwise included in an exclusion
9 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a
10 school district otherwise at the maximum levy pursuant to subdivision (2)
11 (a) of this section to pay for fifty percent of the current and future
12 sums agreed to be paid to certificated employees in exchange for a
13 voluntary termination of employment occurring between September 1, 2018,
14 and August 31, 2019, as a result of a collective-bargaining agreement in
15 force and effect on September 1, 2017, that are not otherwise included in
16 an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts
17 levied by a school district otherwise at the maximum levy pursuant to
18 subdivision (2)(a) of this section to pay for twenty-five percent of the
19 current and future sums agreed to be paid to certificated employees in
20 exchange for a voluntary termination of employment occurring between
21 September 1, 2019, and August 31, 2020, as a result of a collective-
22 bargaining agreement in force and effect on September 1, 2017, that are
23 not otherwise included in an exclusion pursuant to subdivision (2)(d) of
24 this section, (vi) amounts levied in compliance with sections 79-10,110
25 and 79-10,110.02, and (vii) amounts levied to pay for special building
26 funds and sinking funds established for projects commenced prior to April
27 1, 1996, for construction, expansion, or alteration of school district
28 buildings. For purposes of this subsection, commenced means any action
29 taken by the school board on the record which commits the board to expend
30 district funds in planning, constructing, or carrying out the project.

31 (e) Federal aid school districts may exceed the maximum levy

1 prescribed by subdivision (2)(a) or (2)(c) of this section only to the
2 extent necessary to qualify to receive federal aid pursuant to Title VIII
3 of Public Law 103-382, as such title existed on September 1, 2001. For
4 purposes of this subdivision, federal aid school district means any
5 school district which receives ten percent or more of the revenue for its
6 general fund budget from federal government sources pursuant to Title
7 VIII of Public Law 103-382, as such title existed on September 1, 2001.

8 (f) For each fiscal year, learning communities may levy a maximum
9 levy of one-half cent on each one hundred dollars of taxable property
10 subject to the levy for elementary learning center facility leases, for
11 remodeling of leased elementary learning center facilities, and for up to
12 fifty percent of the estimated cost for focus school or program capital
13 projects approved by the learning community coordinating council pursuant
14 to section 79-2111.

15 (g) For each fiscal year, learning communities may levy a maximum
16 levy of one and one-half cents on each one hundred dollars of taxable
17 property subject to the levy for early childhood education programs for
18 children in poverty, for elementary learning center employees, for
19 contracts with other entities or individuals who are not employees of the
20 learning community for elementary learning center programs and services,
21 and for pilot projects, except that no more than ten percent of such levy
22 may be used for elementary learning center employees.

23 (3) For each fiscal year through fiscal year 2023-24, community
24 college areas may levy the levies provided in subdivisions (2)(a) through
25 (c) of section 85-1517, in accordance with the provisions of such
26 subdivisions. For fiscal year 2024-25 and each fiscal year thereafter,
27 community college areas may levy the levies provided in subdivisions (2)
28 (a) and (b) of section 85-1517, in accordance with the provisions of such
29 subdivisions. A community college area may exceed the levy provided in
30 subdivision (2)(a) of section 85-1517 by the amount necessary to generate
31 sufficient revenue as described in section 85-1543 or 85-2238. A

1 community college area may exceed the levy provided in subdivision (2)(b)
2 of section 85-1517 by the amount necessary to retire general obligation
3 bonds assumed by the community college area or issued pursuant to section
4 85-1515 according to the terms of such bonds or for any obligation
5 pursuant to section 85-1535 entered into prior to January 1, 1997.

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

9 (b) Natural resources districts shall also have the power and
10 authority to levy a tax equal to the dollar amount by which their
11 restricted funds budgeted to administer and implement ground water
12 management activities and integrated management activities under the
13 Nebraska Ground Water Management and Protection Act exceed their
14 restricted funds budgeted to administer and implement ground water
15 management activities and integrated management activities for FY2003-04,
16 not to exceed one cent on each one hundred dollars of taxable valuation
17 annually on all of the taxable property within the district.

18 (c) In addition, natural resources districts located in a river
19 basin, subbasin, or reach that has been determined to be fully
20 appropriated pursuant to section 46-714 or designated as overappropriated
21 pursuant to section 46-713 by the Chief Water Officer of the Department
22 of Water, Energy, and Environment shall also have the power and authority
23 to levy a tax equal to the dollar amount by which their restricted funds
24 budgeted to administer and implement ground water management activities
25 and integrated management activities under the Nebraska Ground Water
26 Management and Protection Act exceed their restricted funds budgeted to
27 administer and implement ground water management activities and
28 integrated management activities for FY2005-06, not to exceed three cents
29 on each one hundred dollars of taxable valuation on all of the taxable
30 property within the district for fiscal year 2006-07 and each fiscal year
31 thereafter through fiscal year 2017-18.

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

5 (6)(a) Incorporated cities and villages which are not within the
6 boundaries of a municipal county may levy a maximum levy of forty-five
7 cents per one hundred dollars of taxable valuation of property subject to
8 the levy plus an additional five cents per one hundred dollars of taxable
9 valuation to provide financing for the municipality's share of revenue
10 required under an agreement or agreements executed pursuant to the
11 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
12 levy shall include amounts levied to pay for sums to support a library
13 pursuant to section 51-201, museum pursuant to section 51-501, visiting
14 community nurse, home health nurse, or home health agency pursuant to
15 section 71-1637, or statue, memorial, or monument pursuant to section
16 80-202.

17 (b) Incorporated cities and villages which are within the boundaries
18 of a municipal county may levy a maximum levy of ninety cents per one
19 hundred dollars of taxable valuation of property subject to the levy. The
20 maximum levy shall include amounts paid to a municipal county for county
21 services, amounts levied to pay for sums to support a library pursuant to
22 section 51-201, a museum pursuant to section 51-501, a visiting community
23 nurse, home health nurse, or home health agency pursuant to section
24 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

25 (c) Community improvement districts may levy a property tax pursuant
26 to the Community Improvement District Act up to the maximum levy rate
27 specified in the ordinance passed by the city council of the city or
28 village board of trustees of the village in which such community
29 improvement district is located. Such levy is not included in the maximum
30 levy rates in subdivisions (6)(a) and (6)(b) of this section.

31 (7) Sanitary and improvement districts which have been in existence

1 for more than five years may levy a maximum levy of forty cents per one
2 hundred dollars of taxable valuation of property subject to the levy, and
3 sanitary and improvement districts which have been in existence for five
4 years or less shall not have a maximum levy. Unconsolidated sanitary and
5 improvement districts which have been in existence for more than five
6 years and are located in a municipal county may levy a maximum of eighty-
7 five cents per hundred dollars of taxable valuation of property subject
8 to the levy.

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

1 may exceed the levy authority in order to levy the amount allocated.

2 (9) Municipal counties may levy or authorize a maximum levy of one
3 dollar per one hundred dollars of taxable valuation of property subject
4 to the levy. The municipal county may allocate levy authority to any
5 political subdivision or entity subject to allocation under section
6 77-3443.

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

18 (11) A regional metropolitan transit authority may levy a maximum
19 levy of ten cents per one hundred dollars of taxable valuation of
20 property subject to the levy for each fiscal year that commences on the
21 January 1 that follows the effective date of the conversion of the
22 transit authority established under the Transit Authority Law into the
23 regional metropolitan transit authority.

24 (12) Property tax levies (a) for judgments, except judgments or
25 orders from the Commission of Industrial Relations, obtained against a
26 political subdivision which require or obligate a political subdivision
27 to pay such judgment, to the extent such judgment is not paid by
28 liability insurance coverage of a political subdivision, (b) for
29 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
30 for bonds as defined in section 10-134 approved according to law and
31 secured by a levy on property except as provided in section 44-4317 for

1 bonded indebtedness issued by educational service units and school
2 districts, (d) 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, and (e) to pay for cancer benefits provided on or after
6 January 1, 2022, pursuant to the Firefighter Cancer Benefits Act are not
7 included in the levy limits established by this section.

8 (13) The limitations on tax levies provided in this section are to
9 include all other general or special levies provided by law.
10 Notwithstanding other provisions of law, the only exceptions to the
11 limits in this section are those provided by or authorized by sections
12 77-3442 to 77-3444.

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

16 (15) For purposes of sections 77-3442 to 77-3444, political
17 subdivision means a political subdivision of this state and a county
18 agricultural society.

19 (16) For school districts that file a binding resolution on or
20 before May 9, 2008, with the county assessors, county clerks, and county
21 treasurers for all counties in which the school district has territory
22 pursuant to subsection (7) of section 79-458, if the combined levies,
23 except levies for bonded indebtedness approved by the voters of the
24 school district and levies for the refinancing of such bonded
25 indebtedness, are in excess of the greater of (a) one dollar and twenty
26 cents per one hundred dollars of taxable valuation of property subject to
27 the levy or (b) the maximum levy authorized by a vote pursuant to section
28 77-3444, all school district levies, except levies for bonded
29 indebtedness approved by the voters of the school district and levies for
30 the refinancing of such bonded indebtedness, shall be considered
31 unauthorized levies under section 77-1606.

1 **Sec. 106.** Section 77-3443, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 77-3443 (1) All political subdivisions, other than (a) school
4 districts, community colleges, natural resources districts, educational
5 service units, cities, villages, counties, municipal counties, rural and
6 suburban fire protection districts that have levy authority pursuant to
7 subsection (10) of section 77-3442, community improvement districts, and
8 sanitary and improvement districts and (b) political subdivisions subject
9 to municipal allocation under subsection (2) of this section, may levy
10 taxes as authorized by law which are authorized by the county board of
11 the county or the council of a municipal county in which the greatest
12 portion of the valuation is located, which are counted in the county or
13 municipal county levy limit provided in section 77-3442, and which do not
14 collectively total more than fifteen cents per one hundred dollars of
15 taxable valuation on any parcel or item of taxable property for all
16 governments for which allocations are made by the municipality, county,
17 or municipal county, except that such limitation shall not apply to
18 property tax levies for preexisting lease-purchase contracts approved
19 prior to July 1, 1998, for bonded indebtedness approved according to law
20 and secured by a levy on property, and for payments by a public airport
21 to retire interest-free loans from the Division of Aeronautics of the
22 Department of Transportation in lieu of bonded indebtedness at a lower
23 cost to the public airport. The county board or council shall review and
24 approve or disapprove the levy request of all political subdivisions
25 subject to this subsection. The county board or council may approve all
26 or a portion of the levy request and may approve a levy request that
27 would allow the requesting political subdivision to levy a tax at a levy
28 greater than that permitted by law. Unless a transit authority elects to
29 convert to a regional metropolitan transit authority in accordance with
30 the Regional Metropolitan Transit Authority Act, and for each fiscal year
31 of such a transit authority until the first fiscal year commencing after

1 the effective date of such conversion, the county board of a county or
2 the council of a municipal county which contains a transit authority
3 established pursuant to the Transit Authority Law shall allocate no less
4 than three cents per one hundred dollars of taxable property within the
5 city or municipal county subject to the levy to the transit authority if
6 requested by such authority. For any political subdivision subject to
7 this subsection that receives taxes from more than one county or
8 municipal county, the levy shall be allocated only by the county or
9 municipal county in which the greatest portion of the valuation is
10 located. The county board of equalization shall certify all levies by
11 October 20 to insure that the taxes levied by political subdivisions
12 subject to this subsection do not exceed the allowable limit for any
13 parcel or item of taxable property. The levy allocated by the county or
14 municipal county may be exceeded as provided in section 77-3444.

15 (2) All city airport authorities established under the Cities
16 Airport Authorities Act, community redevelopment authorities established
17 under the Community Development Law, transit authorities established
18 under the Transit Authority Law unless and until the first fiscal year
19 commencing after the effective date of any conversion by such a transit
20 authority into a regional metropolitan transit authority pursuant to the
21 Regional Metropolitan Transit Authority Act, and offstreet parking
22 districts established under the Offstreet Parking District Act may be
23 allocated property taxes as authorized by law which are authorized by the
24 city, village, or municipal county and are counted in the city or village
25 levy limit or municipal county levy limit provided by section 77-3442,
26 except that such limitation shall not apply to property tax levies for
27 preexisting lease-purchase contracts approved prior to July 1, 1998, for
28 bonded indebtedness approved according to law and secured by a levy on
29 property, and for payments by a public airport to retire interest-free
30 loans from the Division of Aeronautics of the Department of
31 Transportation in lieu of bonded indebtedness at a lower cost to the

1 public airport. For offstreet parking districts established under the
2 Offstreet Parking District Act, the tax shall be counted in the
3 allocation by the city proportionately, by dividing the total taxable
4 valuation of the taxable property within the district by the total
5 taxable valuation of the taxable property within the city multiplied by
6 the levy of the district. Unless a transit authority elects to convert
7 into a regional metropolitan transit authority pursuant to the Regional
8 Metropolitan Transit Authority Act, and for each fiscal year of such a
9 transit authority until the first fiscal year commencing after the
10 effective date of such conversion, the city council of a city which has
11 established a transit authority pursuant to the Transit Authority Law or
12 the council of a municipal county which contains a transit authority
13 shall allocate no less than three cents per one hundred dollars of
14 taxable property subject to the levy to the transit authority if
15 requested by such authority. The city council, village board, or council
16 shall review and approve or disapprove the levy request of the political
17 subdivisions subject to this subsection. The city council, village board,
18 or council may approve all or a portion of the levy request and may
19 approve a levy request that would allow a levy greater than that
20 permitted by law. The levy allocated by the municipality or municipal
21 county may be exceeded as provided in section 77-3444.

22 (3) On or before August 1, all political subdivisions subject to
23 county, municipal, or municipal county levy authority under this section
24 shall submit a preliminary request for levy allocation to the county
25 board, city council, village board, or council that is responsible for
26 levying such taxes. The preliminary request of the political subdivision
27 shall be in the form of a resolution adopted by a majority vote of
28 members present of the political subdivision's governing body. The
29 failure of a political subdivision to make a preliminary request shall
30 preclude such political subdivision from using procedures set forth in
31 section 77-3444 to exceed the final levy allocation as determined in

1 subsection (4) of this section.

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

12 **Sec. 107.** Sections 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84,
13 85, 91, 92, 93, and 109 of this act become operative three calendar
14 months after the adjournment of this legislative session. The other
15 sections of this act become operative on their effective date.

16 **Sec. 108.** Original sections 10-127, 10-131, 10-133, 10-134, 10-615,
17 10-1103, 10-1203, 13-402, 13-503, 13-803, 13-2503, 32-1302, 77-1842,
18 77-1858, 77-1901, 77-1914, 77-1915, 77-1916, and 77-1917.01, Reissue
19 Revised Statutes of Nebraska, sections 13-2202, 32-112.02, 32-404,
20 32-608, 32-1203, and 77-3443, Revised Statutes Cumulative Supplement,
21 2024, and sections 13-518, 77-1701, 77-1838, 77-1902, 77-1909, and
22 77-3442, Revised Statutes Supplement, 2025, are repealed.

23 **Sec. 109.** Original sections 18-2108, 18-2123, 18-2123.01, 18-2705,
24 and 31-741, Reissue Revised Statutes of Nebraska, sections 13-3304,
25 14-102, 18-2155, 31-735, 71-1572, and 71-15,169, Revised Statutes
26 Cumulative Supplement, 2024, and sections 18-2102, 18-2103, 18-2147, and
27 18-2709, Revised Statutes Supplement, 2025, are repealed.

28 **Sec. 110.** Since an emergency exists, this act takes effect when
29 passed and approved according to law.

30 2. On page 1, strike beginning with "the" in line 1 through line 4
31 and insert "property; to amend sections 10-127, 10-131, 10-133, 10-134,

1 10-615, 10-1103, 10-1203, 13-402, 13-503, 13-803, 13-2503, 18-2108,
2 18-2123, 18-2123.01, 18-2705, 31-741, 32-1302, 77-1842, 77-1858, 77-1901,
3 77-1914, 77-1915, 77-1916, and 77-1917.01, Reissue Revised Statutes of
4 Nebraska, sections 13-2202, 13-3304, 14-102, 18-2155, 31-735, 32-112.02,
5 32-404, 32-608, 32-1203, 71-1572, 77-15,169, and 77-3443, Revised
6 Statutes Cumulative Supplement, 2024, and sections 13-518, 18-2102,
7 18-2103, 18-2147, 18-2709, 77-1701, 77-1838, 77-1902, 77-1909, and
8 77-3442, Revised Statutes Supplement, 2025; to adopt the Community
9 Improvement District Act; to provide powers and duties relating to
10 community improvement districts and trustees of community improvement
11 districts; to define and redefine terms; to increase the number of inland
12 port districts that may be created under the Municipal Inland Port
13 Authority Act; to provide powers to cities of the metropolitan class to
14 regulate housing authorities by ordinance; to change provisions relating
15 to legislative findings, change and eliminate provisions relating to the
16 acquisition of real property, land outside the corporate limits of
17 cities, the effective date for the division of taxes, and certain
18 redevelopment plans receiving an expedited review under the Community
19 Development Law; to authorize the use of economic development programs
20 for certain construction or rehabilitation of housing under the Local
21 Option Municipal Economic Development Act; to change provisions relating
22 to the election of the board of trustees and contract bidding
23 requirements for sanitary improvement districts; to change provisions and
24 provide duties for certain housing agencies relating to pest control
25 under the Nebraska Housing Agency Act; to authorize community improvement
26 districts to levy a property tax as prescribed; to harmonize provisions;
27 to provide operative dates; to repeal the original sections; and to
28 declare an emergency."