

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1114

FINAL READING

Introduced by Urban Affairs Committee: McKinney, 11, Chairperson;
Cavanaugh, J., 9; Quick, 35; Rountree, 3.

Read first time January 16, 2026

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to the property; to amend sections 10-127,
2 10-131, 10-133, 10-134, 10-615, 10-1103, 10-1203, 13-402, 13-503,
3 13-803, 13-2503, 13-3309, 18-2108, 18-2123, 18-2123.01, 18-2705,
4 31-741, 32-1302, 77-1842, 77-1858, 77-1901, 77-1914, 77-1915,
5 77-1916, and 77-1917.01, Reissue Revised Statutes of Nebraska,
6 sections 13-2202, 13-3304, 14-102, 18-2155, 31-735, 32-112.02,
7 32-404, 32-608, 32-1203, 71-1572, 77-15,169, and 77-3443, Revised
8 Statutes Cumulative Supplement, 2024, and sections 13-518, 18-2102,
9 18-2103, 18-2147, 18-2709, 77-202, 77-1701, 77-1838, 77-1902,
10 77-1909, and 77-3442, Revised Statutes Supplement, 2025; to adopt
11 the Community Improvement District Act and the New Taxpayer
12 Recruitment Grant Act; to provide powers and duties relating to
13 community improvement districts and trustees of community
14 improvement districts; to define and redefine terms; to change
15 provisions relating to the eligibility to create inland port
16 districts, increase the number of inland port districts that may be
17 created, and provide exemptions from taxation under the Municipal
18 Inland Port Authority Act; to provide powers to cities of the
19 metropolitan class to regulate housing authorities by ordinance; to
20 change and eliminate provisions relating to legislative findings,
21 the acquisition of real property, land outside the corporate limits

1 of cities, the effective date for the division of taxes, and certain
2 redevelopment plans receiving an expedited review under the
3 Community Development Law; to authorize the use of economic
4 development programs for certain construction or rehabilitation of
5 housing under the Local Option Municipal Economic Development Act;
6 to change provisions relating to the election of the board of
7 trustees and contract bidding requirements for sanitary improvement
8 districts; to change provisions and provide duties for certain
9 housing agencies relating to pest control under the Nebraska Housing
10 Agency Act; to authorize community improvement districts to levy a
11 property tax as prescribed; to harmonize provisions; to provide
12 operative dates; to repeal the original sections; and to declare an
13 emergency.

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

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

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

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

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

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

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

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

25 (6) Public infrastructure means any publicly owned electric service
26 lines and conduits, gas service lines and conduits, sanitary sewer lines,
27 sanitary sewer system improvements, storm sewer lines, storm sewer system
28 improvements, flood control improvements, water lines, water system
29 improvements, emergency management warning system improvements,
30 sidewalks, roads, streets, highways, pedestrian walkways, skywalks,
31 public spaces, public facilities, parks, playgrounds, recreational

1 facilities, offstreet motor vehicle parking facilities, public waterways,
2 docks, wharfs, rail lines, flood control systems, flood control
3 improvements, and related appurtenances, whether owned or to be owned by
4 the community improvement district or another political subdivision;

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

8 (8) Redevelopment means the reconstruction, rehabilitation, or
9 original installation of public infrastructure as long as prior public
10 infrastructure has been installed in the community improvement district
11 even if such installation occurred prior to the formation of the
12 community improvement district; and

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

20 **Sec. 3.** (1)(a) A majority of the owners, as determined in
21 subsection (5) of this section, having an interest in the real property
22 within the limits of a proposed community improvement district, situated
23 wholly within a village or city in this state at the time of approval
24 pursuant to section 6 of this act, may propose formation of a community
25 improvement district for the purpose of construction, installation,
26 improvement, equipping, maintenance, and repair of public infrastructure
27 in or related to such community improvement district, and contracting
28 with the city or village in which the community improvement district is
29 located or other political subdivisions of this state for any public
30 purpose. The real property included within a community improvement
31 district may be contiguous or noncontiguous.

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

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

16 (d) No community improvement district may own or hold land in excess
17 of ten acres, unless such land so owned and held by such community
18 improvement district is actually used for a public purpose, as provided
19 in this section, within three years after its acquisition. Any community
20 improvement district which has acquired land in excess of ten acres in
21 area and has not devoted the same to a public purpose, as set forth in
22 this section, within three years after the date of its acquisition, shall
23 devote the same to a use set forth in this section or shall divest itself
24 of such land. When a community improvement district divests itself of
25 land pursuant to this section, it shall do so by sale at public auction
26 to the highest bidder after notice of such sale has been given by
27 publication at least three times for three consecutive weeks prior to the
28 date of sale in a legal newspaper of general circulation within the area
29 of the community improvement district.

30 (2) The articles of association shall state:

31 (a) The proposed community improvement district proposes an

1 aggregate maximum permitted levy rate for all purposes in an amount not
2 to exceed per \$100 of taxable valuation in such community
3 improvement district, to be deposited and held in the funds of the
4 community improvement district and used for general corporate purposes,
5 including payment of principal of and interest on any outstanding bonds,
6 warrants, and other obligations of the community improvement district;
7 and

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

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

24 (4) After the articles are signed, the same shall be filed in the
25 office of the clerk of the city or village in which such community
26 improvement district shall be located together with a request that the
27 city council of the city or board of trustees of the village in which
28 such articles of association have been filed pass and approve an
29 ordinance approving formation of such community improvement district
30 pursuant to the Community Improvement District Act.

31 (5) For purposes of subsection (1) of this section, a majority of

1 the owners having an interest in the real property in a proposed
2 community improvement district is determined as follows:

3 (a) If the real property in a proposed community improvement
4 district is currently zoned commercial or industrial, a majority of the
5 owners is determined based on the number of acres owned in the proposed
6 boundary of the community improvement district;

7 (b) If the real property in a proposed community improvement
8 district is currently zoned residential, a majority of the owners is
9 determined based on the majority of the number of residential lots or
10 condominium units in the proposed boundary of the community improvement
11 district, regardless of lot size;

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

15 (d) If the real property in a proposed community improvement
16 district is a combination of subdivisions (a) through (c) of this
17 subsection, a majority of the owners is determined giving equal weight to
18 each acre and each residential lot and must include all owners of
19 agricultural land in the proposed boundary of the community improvement
20 district.

21 **Sec. 4.** (1) Immediately after the articles of association and
22 request for approval have been filed, as provided for by subsection (4)
23 of section 3 of this act, the clerk of the city or village where the
24 articles are filed shall schedule a hearing to be held within ninety days
25 after the date of such filing by the city council or village board of
26 trustees regarding formation of the proposed community improvement
27 district and any objections to such formation.

28 (2) The city or village clerk shall publish a notice of association
29 in a newspaper of general circulation in the city or village and in the
30 proposed community improvement district in one publication at least sixty
31 days prior to the date of such hearing and in the four weekly

1 publications of such newspaper immediately preceding the date set for
2 such hearing, which notice shall set forth the following:

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

6 (b) The date and time of the hearing scheduled regarding formation
7 of the proposed community improvement district and any objections thereto
8 and that any written objections regarding such community improvement
9 district shall be filed with the city or village clerk at least seven
10 calendar days prior to the date of such hearing;

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

22 (d) The names of the proposed trustees;

23 (e) The proposed aggregate maximum permitted levy rate for all
24 purposes, stated as an amount not to exceed per \$100 of taxable
25 valuation in such community improvement district, to be deposited and
26 held in the funds of the community improvement district and used for
27 general corporate purposes, including payment of principal of and
28 interest on any outstanding bonds, warrants, and other obligations of the
29 community improvement district; and

30 (f) That application has been made to the city or village to declare
31 to the district a community improvement district pursuant to the

1 Community Improvement District Act.

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

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

22 **Sec. 6.** (1) The hearing with respect to such application and any
23 objections scheduled pursuant to subsection (1) of section 4 of this act
24 shall be held by the city council or village board of trustees on the
25 date and time provided in the notice of association. At the conclusion of
26 such hearing, subject to subsections (2) and (3) of this section, the
27 city council or village board of trustees may pass an ordinance which (a)
28 specifies the property included in the community improvement district,
29 (b) names five trustees as the board of trustees of such community
30 improvement district to serve until their successors are elected and
31 qualified pursuant to the Community Improvement District Act, (c)

1 specifies the maximum levy rate for all purposes stated as an amount not
2 to exceed per \$100 of taxable valuation in such community
3 improvement district, to be deposited and held in the funds of the
4 community improvement district and used for general corporate purposes,
5 including payment of principal of and interest on any outstanding bonds,
6 warrants, and other obligations of the community improvement district,
7 and (d) declares the community improvement district a duly formed
8 political subdivision and community improvement district pursuant to the
9 Community Improvement District Act. Such ordinance shall not be passed
10 unless and until all property included in such proposed community
11 improvement district is within the corporate limits of the city or
12 village.

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

25 (3) In case of objection to any of the nominated trustees, the city
26 council or village board of trustees may identify and name other suitable
27 trustees to serve on the board of trustees of such community improvement
28 district who shall be (a) owners of real estate located in the community
29 improvement district or (b) designated to serve as representatives on the
30 board of trustees if the real estate is owned by a limited partnership, a
31 general partnership, a limited liability company, a public, private, or

1 municipal corporation, an estate, or a trust.

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

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

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

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

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

31 (b) Have the power to pass all necessary resolutions, orders, rules,

1 and regulations for the necessary conduct of its business and to carry
2 into effect the objects for which the community improvement district was
3 formed; and

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

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

18 **Sec. 10.** Within thirty days after the creation of a community
19 improvement district, the clerk of the community improvement district
20 shall file with the register of deeds, county clerk, and election
21 commissioner, of each county or counties in which the community
22 improvement district is located, a statement containing the following
23 information: (1) The community improvement district number; (2) the outer
24 boundaries of the community improvement district; (3) that the community
25 improvement district has the power to levy a property tax and indicate
26 the rate approved pursuant to section 6 of this act to pay its debt and
27 its expenses of operation and maintenance; (4) that the community
28 improvement district may levy special assessments on property in the
29 community improvement district to the full extent of special benefits
30 arising by reason of development improvements installed by the community
31 improvement district; (5) that the annual budget of the community

1 improvement district is filed with the Auditor of Public Accounts, which
2 budget shows the anticipated revenue and expenses, tax levy, and
3 indebtedness of the community improvement district; (6) that the actual
4 current tax levy amount of the community improvement district may be
5 obtained from each county in which the community improvement district is
6 located; and (7) that a copy of the annual financial audit of the
7 community improvement district is on file with the clerk of the community
8 improvement district and the Auditor of Public Accounts. Such statement
9 shall be supplemented and refiled to indicate any land added to or
10 removed from the community improvement district after the original
11 filing.

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

27 **Sec. 12.** (1) Except as provided in subsection (5) of section
28 84-1411, the clerk or administrator of each community improvement
29 district shall notify the city or village where such district is located
30 of all meetings of the community improvement district board of trustees
31 or called by the administrator by sending a notice of such meeting to the

1 clerk of the city or village not less than seven days prior to the date
2 set for any meeting. In the case of meetings called by the administrator,
3 notice shall be provided to the clerk of the community improvement
4 district not less than seven days prior to the date set for any meeting.

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

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

17 (i) The names of the members of the current board of trustees of the
18 community improvement district;

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

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

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

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

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

5 (3) The real estate broker or salesperson or, if none, the owner
6 shall obtain an acknowledgment from any purchaser of any real estate
7 located within a community improvement district that the purchaser
8 understands the property is located within a community improvement
9 district. Such acknowledgment may be obtained separately from the
10 disclosure required under section 76-2,120.

11 (4) The statement shall be distributed and the acknowledgment
12 obtained on or before the date on which the purchaser becomes obligated
13 to purchase such real estate. The exclusive remedy for failure to provide
14 such statements and obtain such acknowledgments shall be an action for
15 damages, and any such failure shall not affect title to the real estate
16 or the validity of the conveyance.

17 **Sec. 14.** (1)(a) On the first Tuesday after the second Monday in
18 September which is at least fifteen months after the city council or
19 village board of trustees passes the ordinance creating a community
20 improvement district and on the first Tuesday after the second Monday in
21 September each two years thereafter, the board of trustees shall cause a
22 special election to be held, at which election a board of trustees shall
23 be elected. The board of trustees shall have five members except as
24 provided in subsection (2) of this section. Each member elected to the
25 board of trustees shall be elected to a term of two years and shall hold
26 office until such member's successor is elected and qualified. Any person
27 desiring to file for the office of trustee may file for such office with
28 the election commissioner or county clerk of the county in which the
29 greater proportion in area of the community improvement district is
30 located not later than fifty days before the election. If such person
31 will serve on the board of trustees as a designated representative of a

1 limited partnership, general partnership, limited liability company,
2 public, private, or municipal corporation, estate, or trust which owns
3 real estate in the community improvement district, the filing shall
4 indicate that fact and shall include appropriate documentation evidencing
5 such fact. No filing fee shall be required. A person filing for the
6 office of trustee to be elected at the election held six years after the
7 first election of trustees and each election thereafter shall designate
8 whether such person is a candidate for election by the resident owners of
9 such community improvement district or a candidate for election by all of
10 the owners of real estate located in the community improvement district.
11 If a person filing for the office of trustee is a designated
12 representative of a limited partnership, a general partnership, a limited
13 liability company, a public, private, or municipal corporation, an
14 estate, or a trust which owns real estate in the community improvement
15 district, the name of such entity shall accompany the name of the
16 candidate on the ballot in the following form: (Name of candidate) to
17 represent (name of entity) as a member of the board. The name of each
18 candidate shall appear on only one ballot.

19 (b) The name of a person may be written in and voted for as a
20 candidate for the office of trustee, and such write-in candidate may be
21 elected to the office of trustee. A write-in candidate for the office of
22 trustee who will serve as a designated representative of a limited
23 partnership, a general partnership, a limited liability company, a
24 public, private, or municipal corporation, an estate, or a trust which
25 owns real estate in the community improvement district shall not be
26 elected to the office of trustee unless (i) each vote is accompanied by
27 the name of the entity which the candidate will represent and (ii) within
28 ten days after the date of the election the candidate provides the
29 election commissioner or county clerk with appropriate documentation
30 evidencing the candidate's representation of the entity. Votes cast which
31 do not carry such accompanying designation shall not be counted.

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

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

22 (b) This subdivision applies to a community improvement district
23 until the board of trustees amends its articles of association pursuant
24 to subdivision (2)(d) of this section. At the election held six years
25 after the first election of trustees, two members of the board of
26 trustees shall be elected by the legal property owners resident within
27 such community improvement district and three members shall be elected by
28 all of the owners of real estate located in the community improvement
29 district pursuant to this section. Every resident property owner may cast
30 one vote for a candidate for each office of trustee to be filled by
31 election of resident property owners only. Such resident property owners

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

21 (c) Any public, private, or municipal corporation owning any land or
22 lot in the community improvement district may vote at an election the
23 same as an individual. If more than fifty percent of the homes in any
24 community improvement district are used as a second, seasonal, or
25 recreational residence, the owners of such property shall be considered
26 legal property owners resident within such community improvement district
27 for purposes of electing trustees. For purposes of voting for trustees,
28 each condominium apartment under a condominium property regime
29 established under the Nebraska Condominium Act shall be deemed to be a
30 platted lot and the lessee or the owner of the lessee's interest, under
31 any lease for an initial term of not less than twenty years which

1 requires the lessee to pay taxes and special assessments levied on the
2 leased property, shall be deemed to be the owner of the property so
3 leased and entitled to cast the vote of such property. When ownership of
4 a platted lot or unplatted land is held jointly by two or more persons,
5 whether as joint tenants, tenants in common, limited partners, members of
6 a limited liability company, or any other form of joint ownership, only
7 one person shall be entitled to cast the vote of such property. The
8 executor, administrator, guardian, or trustee of any person or estate
9 interested shall have the right to vote. No corporation, estate, or
10 irrevocable trust shall be deemed to be a resident owner for purposes of
11 voting for trustees. Should two or more persons or officials claim the
12 right to vote on the same tract, the election board appointed pursuant to
13 section 15 of this act shall determine the party entitled to vote.

14 (d) For any community improvement district which has been in
15 existence for at least ten years, which has less than seventy property
16 owners entitled to vote for trustees, which has at least two resident
17 property owners, and in which less than ten percent of the area of the
18 community improvement district is owned for other than residential uses,
19 the board of trustees may amend its articles of association as provided
20 in section 23 of this act to provide for a reduction in the number of
21 trustees on the board from five members to three members to be effective
22 at the beginning of the term of office for the board of trustees elected
23 at the next election. At the next election and at each election
24 thereafter, two members of the board of trustees shall be elected by the
25 legal property owners resident within such community improvement district
26 and one member shall be elected by all of the owners of real estate
27 located in the community improvement district pursuant to this section.
28 Every resident property owner may cast one vote for a candidate for each
29 office of trustee to be filled by election of resident property owners
30 only. Such resident property owners may also each cast one vote for each
31 acre of unplatted land or fraction thereof and for each platted lot owned

1 within the community improvement district for a candidate for the office
2 of trustee to be filled by election of all property owners. For the
3 office of trustee to be filled by election of all property owners of the
4 community improvement district, every legal property owner not resident
5 within such community improvement district may cast one vote for each
6 acre of unplatted land or fraction thereof and one vote for each platted
7 lot which such legal property owner owns in the community improvement
8 district.

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

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

31 (b) Such board shall select one of their number as chairperson and

1 one of their number as clerk. In case of a vacancy on such board, a new
2 member shall be appointed pursuant to subdivision (a) of this subsection.

3 (2) For any community improvement district, the election
4 commissioner or county clerk shall certify the results of the election to
5 the community improvement district.

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

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

30 **Sec. 17.** Notwithstanding the appointment of an administrator for
31 any community improvement district pursuant to sections 42 to 51 of this

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

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

28 **Sec. 19.** Subject to the limitations related to state property set
29 out in subsection (2) of section 20 of this act, whenever the board of
30 trustees or administrator of any community improvement district shall by
31 order determine to make any public improvement under the provisions of

1 the Community Improvement District Act which shall require that private
2 property be taken or damaged, the community improvement district may
3 exercise the power of eminent domain. The procedure to condemn property
4 shall be exercised in the manner set forth in sections 76-704 to 76-724.
5 Such taking by the community improvement district may be effected only
6 after approval by the city or village having any zoning jurisdiction over
7 such property.

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

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

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

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

29 **Sec. 21.** (1) The community improvement district shall have the
30 power to annually levy a tax on the taxable value of the taxable property
31 in the community improvement district at an aggregate rate not to exceed

1 the levy rate specified in the articles of organization and approved by
2 ordinance of the city or village pursuant to section 6 of this act, the
3 proceeds of which shall be deposited to and held in the general fund,
4 bond fund, or other fund or account established as determined by the
5 board of trustees of such community improvement district, and used for
6 payment of bonds and warrants, and other general corporate purposes of
7 the community improvement district as permitted by the Community
8 Improvement District Act.

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

24 (3) The treasurer of the community improvement district shall not be
25 responsible for funds of the community improvement district until they
26 are received by him or her. The treasurer of the community improvement
27 district shall disburse the funds of the community improvement district
28 upon the direction of the trustees or the administrator and signed by the
29 chairperson and clerk of the community improvement district or the
30 administrator, including issuance of warrants and other action of the
31 board of trustees.

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

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

6 (b) Contract with the city or village or other political subdivision
7 in which such community improvement district is located for any public
8 purpose of such community improvement district, city or village, or other
9 political subdivision.

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

19 (3)(a) Each community improvement district shall have the books of
20 account kept by the board of trustees of the community improvement
21 district examined and audited by a certified public accountant or a
22 public accountant for the year ending June 30 and shall file a copy of
23 the audit with the office of the Auditor of Public Accounts by December
24 31 of the same year. Such audits may be waived by the Auditor of Public
25 Accounts upon proper showing by the community improvement district that
26 the audit is unnecessary. Such examination and audit shall show the
27 following:

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

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

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

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

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

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

18 (4) If any community improvement district fails or refuses to cause
19 such annual audit to be made of all of its functions, activities, and
20 transactions for the fiscal year within a period of six months following
21 the close of such fiscal year, unless such audit has been waived, the
22 Auditor of Public Accounts may, after due notice and a hearing to show
23 cause by such community improvement district, conduct an audit of the
24 community improvement district pursuant to section 84-304 or assess the
25 community improvement district a fee pursuant to subsection (2) of
26 section 84-304.01.

27 (5) Whenever the sanitary sewer system or any part thereof of a
28 community improvement district is directly or indirectly connected to the
29 sewerage system of any city or village, such city or village, without
30 enacting an ordinance or adopting any resolution for such purpose, may
31 collect such city's or village's applicable rental or use charge from the

1 users in the community improvement district and from the owners of the
2 property served within the community improvement district. The charges of
3 such city or village shall be charged to each property served by the city
4 or village sewerage system, shall be a lien upon the property served, and
5 may be collected from the owner or the person, firm, or corporation using
6 the service. If the city's or village's applicable rental or service
7 charge is not paid when due, such sum may be recovered by the city or
8 village in a civil action or it may be assessed against the premises
9 served as a special assessment and may be assessed by such city or
10 village and collected and returned in the same manner as other municipal
11 special assessments are enforced and collected. When any such assessment
12 is levied, it shall be the duty of the city or village clerk to deliver a
13 certified copy of the ordinance to the county treasurer of the county in
14 which the premises assessed are located and such county treasurer shall
15 collect the assessment as provided by law and return the assessment to
16 the city or village treasurer. Funds of such city or village raised from
17 such charges shall be used by it in accordance with laws applicable to
18 its sewer service rental or charges. The governing body of any city or
19 village may make all necessary rules and regulations governing the direct
20 or indirect use of its sewerage system by any user and premises within
21 any community improvement district and may establish just and equitable
22 rates or charges to be paid to such city or village for use of any of its
23 disposal plants and sewerage system. The board of trustees may, in
24 connection with the issuance of any warrants or bonds of the community
25 improvement district, agree to make a specified minimum levy on taxable
26 property in the community improvement district to pay, or to provide a
27 sinking fund to pay, principal and interest on warrants and bonds of the
28 community improvement district for such number of years as the board may
29 establish at the time of making such agreement and may agree to enforce,
30 by foreclosure or otherwise as permitted by applicable laws, the
31 collection of special assessments levied by the community improvement

1 district. Such agreements may contain provisions granting to creditors
2 and others the right to enforce and carry out the agreements on behalf of
3 the community improvement district and its creditors.

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

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

23 **Sec. 23.** Whenever a majority of the board of trustees shall deem it
24 advisable to amend the articles of association of the community
25 improvement district to change the maximum permitted levy rate, and after
26 a proposed amendment to the articles of association has been signed by a
27 majority of the owners having an interest in the real property within the
28 limits of the community improvement district, the community improvement
29 district clerk shall file an application for such amendment with the city
30 or village clerk with a request that the maximum permitted levy rate be
31 changed, all in the same manner as approval of the initial articles of

1 association pursuant to the Community Improvement District Act. The city
2 or village clerk shall process any such request in the same manner as an
3 initial application for approval of articles of association, shall
4 schedule a hearing, publish notices, and mail notices to any owner of
5 property in the community improvement district who did not sign the
6 proposed amendment, and such city council or village board of trustees
7 may approve the proposed amendment by ordinance in a similar manner to
8 the initial articles of association as provided in section 6 of this act.

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

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

23 (2) Such proposed resolution of necessity shall refer to the plans
24 and specifications for the proposed improvements, proposed agreements or
25 contracts, together with the estimated cost thereof which have been made
26 and filed with the community improvement district clerk before the
27 publication of such resolution. The proposed resolution shall state the
28 amount of such estimated cost.

29 (3) Except as provided in subsection (4) of this section, the board
30 of trustees or the administrator may assess, to the extent of special
31 benefits, the cost of such improvements upon properties specially

1 benefited thereby. The resolution shall state the outer boundaries of the
2 area within the community improvement district in which it is proposed to
3 make special assessments.

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

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

23 (2) If a petition opposing the proposed resolution, signed by
24 property owners representing a majority of the front footage which may
25 become subject to assessment for the cost of any improvements as set
26 forth by the proposed resolution, is filed with the clerk of the
27 community improvement district within three days before the date of the
28 meeting for the hearing on such proposed resolution, such proposed
29 resolution shall not be adopted.

30 **Sec. 27.** Upon compliance with sections 25 and 26 of this act, the
31 board of trustees or the administrator may by resolution order the

1 contracting, making, reconstruction, purchase, or otherwise acquiring of
2 any of the improvements provided for in the Community Improvement
3 District Act.

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

1 reject any or all bids received and advertise for new bids in accordance
2 with this section.

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

15 **Sec. 30.** (1) After the completion of any work or purchase, the
16 engineer shall file with the clerk of the community improvement district,
17 and the clerk of the city or village, a certificate of acceptance. Such
18 work or purchase shall be considered accepted only after approval by the
19 city or village, and then by the board of trustees or the administrator
20 by resolution.

21 (2) Upon approval of the certificate of acceptance, if the board of
22 trustees determines special assessments are to be levied, the board of
23 trustees or administrator shall require the engineer to make a complete
24 statement of all the costs of any such improvements, a plat of the
25 property in the community improvement district, and a schedule of the
26 amount proposed to be assessed against each separate piece of property in
27 such community improvement district. The statement, plat, and schedule
28 shall be filed with the clerk of the community improvement district
29 within sixty days after the date of acceptance.

30 (3) The board of trustees or administrator shall set a time and
31 place for a hearing on the proposed assessments as provided in subsection

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

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

24 (5) Notice of the proposed special assessments for such improvements
25 against each separate piece of property shall be given to each owner of
26 record thereof within five days after the first publication of notice of
27 statement, plat, and schedules and, within five days after the first
28 publication of such notice, a copy thereof, along with statements of
29 costs and schedules of proposed special assessments, shall be given to
30 each person or company who, pursuant to written contract with the
31 community improvement district, has acted as underwriter or municipal

1 advisor for the community improvement district in connection with the
2 sale or placement of warrants or bonds issued by the community
3 improvement district. Each owner shall have the right to be heard and
4 shall have the right of appeal from the final determination made by the
5 board of trustees or administrator.

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

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

21 **Sec. 32.** (1) After the equalization of such special assessments as
22 required by the Community Improvement District Act, such special
23 assessments shall be levied by the board of trustees or the administrator
24 upon all lots or parcels of ground within the community improvement
25 district which are benefited by reason of such improvement, such levy to
26 be made within six months after acceptance of the improvement by the
27 board of trustees or the administrator. Failure to levy assessments
28 within such six-month period shall not invalidate assessments made after
29 the six-month period. Such special assessments may be relieved, if for
30 any reason the levy thereof is void or not enforceable. Such levy shall
31 be enforced as other special assessments and any payments thereof under

1 previous levies shall be credited to the person or property making the
2 same. Not less than eleven and not more than twenty days after the
3 levying of any special assessment, the clerk of the community improvement
4 district shall certify such levy to the county treasurer and county clerk
5 of the county.

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

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

23 (2) The exemption in subsection (1) of this section does not apply
24 if the exempt property has been specially benefited by the improvements.
25 In such cases, the owner of such property shall pay the community
26 improvement district a sum equivalent to the amount the property has been
27 specially benefited, which amount may be recovered by the community
28 improvement district in an action against the property owner. If the
29 parties do not agree as to the amount of the special benefits, the amount
30 may be determined by the district court in an action brought by the
31 community improvement district for such purpose.

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

14 **Sec. 34.** All special assessments provided for in section 32 of this
15 act shall become due in fifty days after the date of the levy and may be
16 paid within that time without interest, but if not so paid they shall
17 bear interest thereafter on a per annum basis until delinquent at the
18 greater of (1) the rate of interest accruing on warrants registered
19 against such community improvement district sixty days prior to the
20 actual levy of the special assessments or (2) the average rate of
21 interest accruing on the warrants issued to pay for the improvements for
22 which the special assessments are to be levied adjusted to the next
23 greater one-half percent. Such assessments shall become delinquent in
24 equal annual installments over such periods of years, not exceeding
25 twenty, as the board of trustees or the administrator may determine at
26 the time of making the levy. Delinquent installments shall bear interest
27 at the rate of two percent per annum above the rate set by the community
28 improvement district on such installments before delinquency, except that
29 no such rate shall exceed the rate specified in section 45-104.01, as
30 such rate may from time to time be adjusted by the Legislature. If three
31 or more installments shall be delinquent, the board of trustees or the

1 administrator may declare all of the remaining installments to be at once
2 delinquent and such installments declared delinquent shall bear interest
3 at the rate specified in section 45-104.01, as such rate may from time to
4 time be adjusted by the Legislature, until paid and may be collected the
5 same as other delinquent installments may be collected.

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

15 **Sec. 36.** (1) For the purpose of paying the cost of public
16 infrastructure improvements and other corporate purposes as provided for
17 in the Community Improvement District Act, the board of trustees or the
18 administrator shall have the power to issue negotiable bonds of any such
19 community improvement district, to be called community improvement
20 district bonds, payable in not to exceed thirty years, and payable from
21 the maximum levy approved in the articles of association of the community
22 improvement district and other available funds. Each issue of bonds shall
23 mature or be subject to mandatory redemption so that the first principal
24 repayment is made not more than five years after the date of issuance and
25 so that at least twenty percent of the community improvement district's
26 bonds then outstanding shall be repaid within ten years after the date of
27 issuance. Such bonds shall bear interest payable annually or
28 semiannually. Such bonds may either be sold by the community improvement
29 district or delivered to the contractor in payment for the work but in
30 either case for not less than their par value. For the purpose of making
31 partial payments as the work progresses, warrants may be issued by the

1 board of trustees or the administrator upon certificates of the engineer
2 in charge showing the amount of work completed and materials necessarily
3 purchased and delivered for the orderly and proper continuation of the
4 project, in a sum not to exceed ninety-five percent of the cost thereof.

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

8 (b) A default on the bonds or warrants of a community improvement
9 district shall not constitute a debt or obligation of the city or village
10 where such community improvement district is located, the county, or the
11 state.

12 (3) Warrants issued for operation and maintenance expenses of the
13 community improvement district shall be issued not later than sixty days
14 following the date upon which the community improvement district is in
15 receipt of a bill for the amount of operation or maintenance expenses
16 owed, and such warrants shall become due and payable not later than three
17 years from the date of issuance. If a warrant for operation or
18 maintenance expenses is not issued within such sixty-day period, the
19 amount owed by the community improvement district shall bear interest
20 from the sixty-first day until the date upon which the warrant is issued
21 at a rate equivalent to one and one-half times the rate specified in
22 subsection (2) of section 45-104.02. The community improvement district
23 shall agree to pay annual or semiannual interest on all capital outlay
24 warrants issued by the community improvement district and shall issue
25 warrants to pay such interest or shall issue its warrants in return for
26 cash to pay such interest. Warrant interest not paid when due for lack of
27 funds shall be registered, bear interest, and be paid the same as is
28 provided in section 10-209 for bond coupons.

29 (4) The community improvement district may, if determined
30 appropriate by the board of trustees or the administrator, pay fees to
31 attorneys, municipal advisors, underwriters, and other professionals in

1 connection with the placement and registration of ownership of warrants
2 issued by the community improvement district.

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

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

18 (7)(a) The board of trustees of any community improvement district
19 may provide for the publication of any resolution or other proceeding
20 adopted by it pursuant to the Community Improvement District Act in a
21 newspaper of general circulation published in the city or village where
22 the community improvement district is located. In the case of a
23 resolution or other proceeding providing for the issuance of bonds,
24 warrants, or other obligations, pursuant to the Community Improvement
25 District Act, the board of trustees or clerk of such community
26 improvement district may, either before or after the adoption of such
27 resolution or resolutions or other proceeding, in lieu of publishing the
28 entire resolution or resolutions or other proceeding, publish a notice of
29 intention to issue bonds, warrants, or other obligations under the
30 Community Improvement District Act, titled to indicate such intention,
31 containing:

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

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

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

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

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

19 (b) For a period of thirty days after such publication, any
20 interested person shall have the right to contest (i) the legality and
21 validity of each and all of the proceedings for the organization of such
22 community improvement district under the Community Improvement District
23 Act, from and including the petition for the organization of the
24 community improvement district, and all other proceedings which may
25 affect the legality or validity of the bonds, warrants, or other
26 obligations and the order of the sale and the sale thereof, (ii) any
27 provisions made for the security and payment of such bonds, warrants, or
28 other obligations, or (iii) any contract of purchase, sale, or lease
29 relating to the issuance of such bonds, warrants, or other obligations.
30 After such time no one shall have any cause of action to contest the
31 regularity, formality, or legality thereof for any cause whatsoever.

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

23 (2) All property, from and after annexation to the community
24 improvement district as provided in subsection (1) of this section, shall
25 be subject to all taxes and other burdens thereafter levied by the
26 community improvement district, regardless of when the obligation for
27 which the taxes or assessments are levied was incurred.

28 **Sec. 38.** (1) Whenever a majority of the board of trustees or the
29 administrator of any community improvement district organized under the
30 Community Improvement District Act desires that the community improvement
31 district shall be wholly dissolved, the trustees or administrator shall

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

24 (2) If (a) a petition opposing the proposed resolution of
25 dissolution is signed by property owners representing a majority of the
26 area of real estate within the community improvement district or (b) a
27 resolution is adopted by the city council or village board of trustees
28 opposing such dissolution and either is presented to the board of
29 trustees or the administrator on or prior to the hearing date, then the
30 board of trustees or the administrator shall not adopt such resolution.

31 (3) If the owners representing a majority of the area of real estate

1 within the community improvement district fail to sign and present to the
2 board or to the administrator, on or prior to the hearing date, a written
3 petition opposing the proposed resolution of dissolution, or if a
4 resolution opposing such dissolution is not adopted by the village board
5 of trustees or city council, then a majority of the board of trustees or
6 the administrator may pass the resolution and thereby adopt the proposed
7 dissolution. After the board of trustees or the administrator has adopted
8 such resolution of dissolution, the clerk of the community improvement
9 district shall prepare and file a certified copy of the resolution of
10 dissolution in the office of the city or village clerk where the original
11 articles of association were filed and in the office of the Secretary of
12 State.

13 (4) A proposed resolution of dissolution shall not be adopted if the
14 community improvement district is obligated on any outstanding bonds,
15 warrants, or other debts or obligations unless the holders of such bonds,
16 warrants, or other debts or obligations shall all sign written consents
17 to the dissolution prior to the adoption of the resolution of
18 dissolution.

19 **Sec. 39.** (1) Whenever a majority of the respective boards of
20 trustees or the administrators of two community improvement districts
21 organized under the Community Improvement District Act, organized within
22 the same city or village shall desire that one of the community
23 improvement districts shall wholly merge into the other community
24 improvement district, the trustees or administrators shall first propose
25 a joint resolution declaring the advisability of such merger and setting
26 out verbatim the terms and conditions thereof and specifying which
27 community improvement district shall be the surviving community
28 improvement district, and also setting out the time and place when the
29 boards of trustees or administrators of the two community improvement
30 districts shall meet to consider the adoption of such resolution. Notice
31 of the time and place when the two community improvement districts shall

1 meet shall be delivered to the city or village clerk and the county
2 clerk, election commissioner, and register of deeds of each county or
3 counties in which the community improvement district is located at least
4 forty-five days prior to such date.

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

22 (3) If (a) a petition opposing the proposed resolution of merger is
23 signed by (i) property owners representing a majority of the area of real
24 estate within either community improvement district or (ii) any holder of
25 any unpaid bonds, warrants, or other obligations of either community
26 improvement district or (b) a resolution is adopted by the city council
27 or village board of trustees opposing such resolution of merger and if
28 any such petition or resolution is presented to the boards of trustees or
29 administrators on or prior to the hearing date, then the boards of
30 trustees or administrators shall not adopt such resolution.

31 (4) If a written petition or resolution opposing the proposed

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

22 (5) Upon the filing of the certified copies of the resolution of
23 merger as provided in this section, the corporate existence of the
24 nonsurviving community improvement district shall thereupon terminate and
25 the boundaries of the surviving community improvement district shall be
26 extended to include all the territory within the boundaries of the
27 nonsurviving community improvement district. A majority of the board of
28 trustees or the administrator of the surviving community improvement
29 district shall have power, from time to time, to give binding directions
30 in writing to the county treasurer of the county in which the surviving
31 community improvement district is located, directing that the treasurer

1 segregate the special assessment funds of the two community improvement
2 districts or directing the segregation of the other assets of the two
3 community improvement districts or directing the method and priority of
4 payment of registered warrants of the two community improvement
5 districts, or giving directions to the county treasurer as to other
6 problems of fiscal management of the affairs of the two community
7 improvement districts involved in the merger.

8 **Sec. 40.** (1) Whenever a majority of the board of trustees or the
9 administrator of any community improvement district organized under the
10 Community Improvement District Act, desires that any property within the
11 community improvement district be detached from the community improvement
12 district, the trustees or the administrator shall first propose a
13 resolution declaring the advisability of such detachment and setting out
14 verbatim the terms and conditions thereof and also setting out the time
15 and place when the board of trustees or the administrator will meet to
16 consider the adoption of such resolution. Notice of the time and place
17 when the resolution shall be set for consideration shall be delivered to
18 the city or village clerk and the county clerk, election commissioner,
19 and register of deeds of each county or counties in which the community
20 improvement district is located at least forty-five days prior to such
21 date. Notice of the time and place when the resolution shall be set for
22 consideration shall be published the same day each week for two
23 consecutive weeks in a newspaper of general circulation published in the
24 city or village where the community improvement district was organized,
25 which publication shall contain the entire wording of the proposed
26 resolution. The trustees or administrator shall mail a copy of such
27 proposed resolution to the city or village clerk of the city or village
28 in which any part of the community improvement district is located within
29 five days after the date of first publication of the resolution. The last
30 publication shall be not less than five days nor more than two weeks
31 prior to the time set for hearing on objections to the passage of the

1 resolution, at which hearing the owners of property within the community
2 improvement district, or any city or village in which any part of the
3 community improvement district is located, may appear and make objections
4 to the proposed resolution.

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

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

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

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

18 **Sec. 42.** A petition may be filed with the district court of the
19 county in which a majority of the real property of a community
20 improvement district is located for referral of the community improvement
21 district to the city council of the city or board of trustees of the
22 village in which the community improvement district is located for the
23 appointment of an administrator of the community improvement district and
24 suspension of the authority of the board of trustees of the community
25 improvement district or other relief as provided by sections 43 to 51 of
26 this act. Such petition may be filed by: (1) A majority of the board of
27 trustees of the community improvement district; (2) the holders of more
28 than fifty percent in principal amount of the outstanding bonds of the
29 community improvement district; (3) the holders of more than fifty
30 percent in principal amount of outstanding construction fund warrants of
31 the community improvement district; (4) a majority of the lessees

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

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

1 of (giving name of petitioner) praying for the referral
2 of the community improvement district to the (name of the
3 city council of the city or board of trustees of the village in which the
4 community improvement district is located) for the appointment of an
5 administrator of the community improvement district and the suspension of
6 the authority of the board of trustees of such community improvement
7 district to exercise the powers granted the board of trustees under the
8 Community Improvement District Act during the period of such
9 administrator's appointment.

10 **Sec. 44.** The petition shall state that the community improvement
11 district (1) has been in default for more than ninety days on its issued
12 and outstanding bonds or construction fund warrants of the community
13 improvement district, (2) has levied a tax upon the taxable value of the
14 taxable property in the community improvement district which, along with
15 the sinking fund derived from special assessments, has not been
16 sufficient to meet payments of interest and principal on the issued and
17 outstanding bonds of the community improvement district, (3) has failed
18 to levy special assessments on all lots, parcels, or pieces of real
19 property within the terms provided in section 32 of this act, or (4)
20 lacks a functioning board of trustees. The petition shall pray for
21 referral of the community improvement district to the city council of the
22 city or board of trustees of the village in which the community
23 improvement district is located for the appointment of an administrator
24 for the community improvement district and for an order suspending the
25 authority of the board of trustees of the community improvement district
26 to exercise the powers granted to such board pursuant to the Community
27 Improvement District Act during the period of such administrator's
28 appointment or for such other relief as the court may determine
29 appropriate.

30 **Sec. 45.** Any person with an interest in the community improvement
31 district may join in the petition, move to dismiss the petition, or file

1 an answer to such petition. The rules of civil procedure relating to
2 motions and answers to a petition shall be applicable to motions and
3 answers to the petition in such special proceedings. The persons filing
4 motions to dismiss and answering the petition shall be the defendants to
5 the special proceedings, and the persons filing the petition or joining
6 in the petition shall be the plaintiffs. Every material statement of the
7 petition not specially controverted by the answer shall, for the purpose
8 of the special proceedings, be taken as true. Each person or party in
9 interest failing to answer the petition shall be deemed to admit as true
10 all the material statements of the petition. The rules of civil procedure
11 relating to pleading and practice which are not inconsistent with the
12 provisions of the Community Improvement District Act are applicable to
13 the special proceedings in sections 42 to 47 of this act.

14 **Sec. 46.** Upon the hearing of the special proceedings pursuant to
15 sections 42 to 47 of this act, the court shall, upon a finding that any
16 of the statements in subdivisions (1) through (4) of section 44 of this
17 act are true, that the petition has been properly filed and notice of the
18 petition has been duly given and published for the time and in the manner
19 prescribed in sections 42 to 47 of this act, and that it is in the best
20 interest of the community improvement district, have the power and
21 jurisdiction to issue an order which refers the community improvement
22 district to the city council of the city or board of trustees of the
23 village in which the community improvement district is located for
24 appointment by the city council or village board of trustees of an
25 administrator from a list of not less than two names of persons
26 possessing real estate and financial expertise compiled by the court in
27 the proceedings, and which provides for the suspension of the authority
28 of the board of trustees of the community improvement district to
29 exercise the powers granted such board under the Community Improvement
30 District Act during the period of such administrator's appointment. In
31 the alternative or as additional relief, the court may order such other

1 relief as may be appropriate to cure the defects of the community
2 improvement district, including, but not limited to, (1) appointment of
3 trustees to serve until the next regular election, (2) calling a special
4 election to elect trustees which shall be conducted in the same manner as
5 other elections for trustees, and (3) directing the board of trustees to
6 levy taxes or special assessments as required by the Community
7 Improvement District Act. The cost of the special proceedings may be
8 allowed and apportioned between the parties in the discretion of the
9 court.

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

29 **Sec. 48.** Upon the issuance of a certificate of appointment by the
30 city council of the city or board of trustees of the village in which the
31 community improvement district is located to a designated community

1 improvement district administrator, the authority of the board of
2 trustees of the community improvement district to exercise the powers of
3 the community improvement district conferred by the Community Improvement
4 District Act shall be suspended. The administrator shall during the
5 period of his or her appointment possess all of the powers of the board
6 of trustees and shall possess exclusive authority to exercise the powers
7 conferred in the Community Improvement District Act.

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

30 **Sec. 50.** (1) The administrator may levy a separate tax upon the
31 taxable value of the taxable property in the community improvement

1 district which shall be known as the administration tax and which shall
2 be separately accounted for by the treasurer of the community improvement
3 district. Such tax shall be paid annually. Such tax may be used to pay
4 the fees and expenses of the administrator and his or her administration,
5 including the cost of audit services, legal services, and financial
6 advisory services ordered by the administrator.

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

24 **Sec. 51.** The administrator shall serve at the pleasure of the city
25 council of the city or board of trustees of the village in which the
26 community improvement district is located or until the district court
27 shall terminate the authority of the city council or village board of
28 trustees and the administrator. A petition for review by the court of the
29 original order may be filed by any person with an interest in the
30 community improvement district. The court shall have the power to
31 terminate the authority of the city council or village board of trustees

1 and the administrator upon its determination that none of the conditions
2 set forth in section 44 of this act exist or it is in the best interest
3 of the community improvement district that the authority of the
4 administrator be terminated. A termination of the authority of the city
5 council or village board of trustees and the administrator shall
6 reinstate the authority of the board of trustees pursuant to the
7 Community Improvement District Act.

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

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

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

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

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

23 (2) The signers of the petition shall be persons who were, on the
24 date the initial petition papers are issued under subsection (7) of this
25 section, eligible to vote in a community improvement district election as
26 provided in section 14 of this act. A person's eligibility to sign a
27 petition shall be the same as the person's eligibility to cast one or
28 more votes at a community improvement district election under section 14
29 of this act. Only one person shall be allowed to sign on behalf of joint
30 owners of property in the community improvement district or on behalf of
31 a public, private, or municipal corporation that owns property in the

1 community improvement district. If the trustee whose recall is sought was
2 elected by vote of resident owners only, then only resident owners shall
3 be allowed to sign the petition. If the trustee whose recall is sought
4 was elected by vote of all owners of property, then all owners shall be
5 allowed to sign the petition. For purposes of this section, resident
6 owner means qualified resident voter and all owners means all qualified
7 resident voters and all qualified property owning voters.

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

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

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

24 (6) The petition papers shall be procured from the filing clerk.
25 Prior to the issuance of such petition papers, a recall petition filing
26 form shall be signed and filed with the filing clerk by (a) at least one
27 qualified resident voter of the district if the trustee whose recall is
28 being sought was elected solely by qualified resident voters or (b) at
29 least one qualified resident voter or qualified property owning voter if
30 the trustee whose recall is being sought was elected by qualified
31 resident voters and qualified property owning voters. Such voter or

1 voters shall be deemed to be the principal circulator or circulators of
2 the recall petition. The filing form shall state the name of the trustee
3 sought to be removed and whether qualified property owning voters
4 participated in the election of the trustee and shall request that the
5 filing clerk issue initial petition papers to the principal circulator
6 for circulation. The filing clerk shall notify the principal circulator
7 or circulators that the necessary signatures must be gathered within
8 thirty days after the date of issuing the petitions.

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

22 **Sec. 54.** (1) The Secretary of State shall design the uniform
23 petition papers to be distributed by all filing clerks for use in the
24 recall of trustees of community improvement districts and shall keep a
25 sufficient number of such blank petition papers on file for distribution
26 to any filing clerk requesting recall petitions.

27 (2) Each petition paper presented to a qualified voter for his or
28 her signature shall clearly indicate at the top (a) whether the trustee
29 whose recall is being sought was elected solely by qualified resident
30 voters, (b) whether the signatories must be qualified resident voters or
31 may include qualified property owning voters, (c) that the signatories

1 must support the holding of a recall election for the trustee, (d) the
2 name of the individual sought to be recalled, and (e) a general statement
3 of the reason or reasons for which recall is sought.

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

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

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

25 (3) If the petition is found to be sufficient, the filing clerk
26 shall attach to the petition a certificate showing the result of such
27 examination. If the petition is found not to be sufficient, the filing
28 clerk shall file the petition in his or her office without prejudice to
29 the filing of a new petition for the same purpose.

30 **Sec. 56.** (1) If the recall petition is found to be sufficient, the
31 filing clerk shall notify the trustee whose removal is sought and the

1 board of trustees of the community improvement district that sufficient
2 signatures have been gathered.

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

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

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

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

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

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

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

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

25 10-127 The State Highway Commission, any county, city, village,
26 municipal county, school district, drainage district, irrigation
27 district, public power district, public power and irrigation district,
28 metropolitan utilities district, the Board of Regents of the University
29 of Nebraska, the Board of Trustees of the Nebraska State Colleges,
30 community colleges, community improvement districts, sanitary and
31 improvement districts, rural water districts, airport authorities,

1 hospital authorities, or any other municipal corporation or governmental
2 subdivision of the state which has the power to issue bonds or other
3 evidences of indebtedness may issue bonds or other evidences of
4 indebtedness of like date, tenor, amount, and maturity to replace
5 mutilated, destroyed, stolen, or lost bonds or other evidences of
6 indebtedness previously issued and having attached thereto the same
7 corresponding unmatured coupons, if any, as were attached to the
8 mutilated, destroyed, stolen, or lost bonds or other evidences of
9 indebtedness. Issuance of replacement bonds or other evidences of
10 indebtedness of like date, tenor, amount, and maturity may be made (1) in
11 exchange and in substitution for such mutilated bond or other evidence of
12 indebtedness and attached unmatured coupons, if any, upon surrender of
13 such mutilated bond or other evidence of indebtedness and attached
14 unmatured coupons, if any, or (2) in lieu of and in substitution for the
15 destroyed, stolen, or lost bond or other evidence of indebtedness and
16 attached unmatured coupons. In the event such bond or other evidence of
17 indebtedness and attached unmatured coupons, if any, have been destroyed,
18 stolen, or lost, the holder thereof shall first file with the issuer
19 evidence satisfactory to it that such bond or other evidence of
20 indebtedness and attached unmatured coupons have been destroyed, stolen,
21 or lost and of such holder's ownership thereof and shall in any event
22 furnish the issuer with indemnity satisfactory to it and shall comply
23 with any statutory requirements and with such other requirements as the
24 issuer may require. A charge, not exceeding the actual cost thereof,
25 shall be imposed upon such owner to reimburse the issuer for the expenses
26 for issuing each such new bond or evidence of indebtedness, which cost
27 shall be paid before the delivery of the new bond or evidence of
28 indebtedness. Instead of issuing a substituted bond or evidence of
29 indebtedness or instead of delivery of any coupon for a bond or evidence
30 of indebtedness, as the case may be, which has matured or which is about
31 to mature and instead of issuing a substituted bond or other evidence of

1 indebtedness for a bond or other evidence of indebtedness which has been
2 called for redemption, the issuer, upon receiving evidence and being
3 indemnified as provided in this section, at its option may pay the bond
4 or other evidence of indebtedness or such coupon from any source lawfully
5 available therefor without the surrender thereof.

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

8 10-131 Notwithstanding any other provisions of the statutes of the
9 State of Nebraska with respect to the issuance of bonds, interest
10 coupons, and other evidence of indebtedness by any county, city, village,
11 municipal county, school district, public power district, public power
12 and irrigation district, airport authority, community improvement
13 district, sanitary and improvement district, or any other municipal
14 corporation or political subdivision, if any bond or other evidence of
15 indebtedness is signed by more than one officer of such issuer, one of
16 the signatures shall be manually affixed thereto and the other signatures
17 may be facsimile signatures of such officers, and with respect to any
18 interest coupons appertaining to any bond or evidence of indebtedness,
19 the signatures on such interest coupon may be facsimile signatures.

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

22 10-133 Any county, city, village, municipal county, school district,
23 public power district, public power and irrigation district, airport
24 authority, community improvement district, sanitary and improvement
25 district, or any other municipal corporation or political subdivision is
26 hereby authorized to pay fiscal and consultant fees incurred with respect
27 to issuance and sale of any bonds, notes, or other evidence of
28 indebtedness out of the proceeds from the sale of such bonds or any other
29 funds available to the issuer, and such payment shall not constitute or
30 be considered as a discount with respect to the sale price of the bonds,
31 notes, or other evidence of indebtedness.

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

3 10-134 As used in sections 10-134 to 10-141, unless the context
4 otherwise requires:

5 (1) Bond shall mean any bonds, notes, interim certificates,
6 evidences of bond ownership, bond anticipation notes, warrants, or other
7 evidence of indebtedness;

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

12 (3) Fully registered bond shall mean a bond, without interest
13 coupons, as to which the principal and interest are payable to the person
14 shown on the records of the registrar as the owner of the bond as of each
15 interest or principal record payment date designated by the issue in the
16 bond ordinance;

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

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

23 (6) Paying agent or registrar shall mean: (a) The treasurer or
24 finance officer of the issuer; (b) any national or state bank having
25 trust powers or any trust company; (c) any municipal securities dealer
26 registered under Section 15B of the Securities Exchange Act of 1934,
27 except that such a dealer may act as a paying agent or registrar only
28 with respect to warrants or an issue of bonds maturing within five years
29 from the date of issuance; or (d) the county treasurer of the county in
30 which the issuer is located if such treasurer shall agree to perform such
31 duty. The paying agent and registrar for a bond issue may be, but are not

1 required to be, the same person or entity.

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

4 10-615 Any community improvement district, any sanitary and
5 improvement district, any road improvement district, and any fire
6 protection district in the State of Nebraska which has issued or which
7 will issue bonds for any purpose, and such bonds or any part of such
8 bonds are unpaid, are a legal liability against such district, and are
9 bearing interest, may issue refunding bonds with which to call and redeem
10 all or any part of such outstanding bonds at or before the maturity or
11 the redemption date of such bonds, may include various series and issues
12 of the outstanding bonds in a single issue of refunding bonds, and may
13 issue refunding bonds to pay any redemption premium and interest to
14 accrue and become payable on the outstanding bonds being refunded or
15 refunding bonds issued. The refunding bonds may be issued and delivered
16 at any time prior to the date of maturity or the redemption date of the
17 bonds to be refunded that the governing body or the administrator
18 determines to be in the best interest of any such district. The proceeds
19 derived from the sale of the refunding bonds issued pursuant to this
20 section may be invested in obligations of or guaranteed by the United
21 States Government pending the time the proceeds are required for the
22 purpose for which such refunding bonds were issued. To further secure the
23 refunding bonds, any such district may enter into a contract with any
24 bank or trust company, within or without the state, with respect to the
25 safekeeping and application of the proceeds of the refunding bonds and
26 the safekeeping and application of the earnings on the investment of such
27 proceeds. Any outstanding bonds, which shall have been called for
28 redemption and which have sufficient funds or obligations of or
29 guaranteed by the United States Government set aside in safekeeping to be
30 applied for the complete payment of such bonds, interest on such bonds,
31 and redemption premium, if any, on the redemption date, shall not be

1 considered as outstanding and unpaid, and such bonds shall be fully
2 secured by and be payable from such funds or obligations so deposited.
3 Each new refunding bond so issued shall state on the bond (1) the object
4 of its issue, (2) this section of the law under which such issue was
5 made, including a statement that the issue is made pursuant to such
6 section, and (3) the date and principal amount of the bond or bonds for
7 which the refunding bonds are being issued.

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

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

12 (1) Authorizing statute means any statute which authorizes the
13 issuance of bonds;

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

20 (3) Governmental unit means the State of Nebraska, any county,
21 school district, city, village, public power district, community
22 improvement district, sanitary and improvement district, educational
23 service unit, community college area, natural resources district, airport
24 authority, fire protection district, hospital authority, joint entity
25 created under the Interlocal Cooperation Act, joint public agency,
26 instrumentality, or any other district, authority, or political
27 subdivision of the State of Nebraska and governmental units as defined in
28 subdivision (a)(45) of section 9-102, Uniform Commercial Code;

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

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

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

5 10-1203 For purposes of the Nebraska Governmental Unit Credit
6 Facility Act:

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

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

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

16 (4) Credit facility means any agreement or other instrument
17 providing for a guarantee or other contractual arrangement providing
18 direct or indirect assurance for payment of principal or interest or both
19 principal and interest on any bond issued by a governmental unit,
20 including, but not limited to, any letter of credit, contract of
21 guarantee, contract of insurance, standby purchase contract, or any other
22 contract for purchase or other agreement as to assurance of payment;

23 (5) Governmental unit means any county, school district, city,
24 village, public power district, public power and irrigation district,
25 community improvement district, sanitary and improvement district,
26 educational service unit, community college area, natural resources
27 district, airport authority, fire protection district, hospital district,
28 hospital authority, housing authority, joint entity created under the
29 Interlocal Cooperation Act, joint public agency created under the Joint
30 Public Agency Act, instrumentality, or any other district, authority, or
31 political subdivision of the State of Nebraska;

1 (6) Measure means any ordinance, resolution, or other enactment by a
2 governmental unit, or any amendment or supplement to any such ordinance,
3 resolution, or other enactment authorizing the issuance of bonds or
4 authorizing an indenture with respect to bonds pursuant to an authorizing
5 statute;

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

18 (8) United States governmental enterprise means any agency or
19 instrumentality of the United States Government. For all purposes of the
20 Nebraska Governmental Unit Credit Facility Act, the term United States
21 governmental enterprise shall be conclusively construed as including, but
22 not limited to, any of the Federal Home Loan Banks, the Federal National
23 Mortgage Association, and the Federal Home Loan Mortgage Corporation.

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

26 13-402 (1) Any county, city, village, school district, agency of the
27 state government, drainage district, community improvement district,
28 sanitary and improvement district, or other political subdivision of the
29 State of Nebraska is hereby permitted, authorized, and given the power to
30 file a petition in the United States Bankruptcy Court under 11 U.S.C.
31 chapter 9 and any acts amendatory thereto and supplementary thereof and

1 to incur and pay the expenses incident to the consummation of a plan of
2 adjustment of debts as contemplated by such petition.

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

21 (b) Within ninety days prior to taking action authorizing the filing
22 of such petition, the governing body of any city or village that has a
23 defined benefit retirement plan shall conduct an actuarial valuation to
24 determine the funded ratio of such defined benefit retirement plan. Such
25 determination shall be prima facie evidence in establishing the authority
26 of the city or village to exercise authority under this section.

27 (c)(i) A city or village that does not have a defined benefit
28 retirement plan may by ordinance declare and affirm that its general
29 obligation bonds, whether existing before, after, or at the time of such
30 ordinance, shall, unless otherwise provided in the related authorizing
31 measure, be equally and ratably secured by a statutory lien on all ad

1 valorem taxes levied and to be levied from year to year by such city or
2 village and on all proceeds derived therefrom. The statutory lien
3 authorized hereunder shall be deemed to attach and be continuously
4 perfected from the time the bonds are issued without further action or
5 authorization by the city or village. The statutory lien is valid and
6 binding from the time the bonds are issued without any physical delivery
7 thereof or further act required. No filing need be made under the Uniform
8 Commercial Code or otherwise to perfect the statutory lien on any ad
9 valorem taxes or proceeds derived therefrom in favor of any general
10 obligation bonds. Bonds so secured shall have a first priority lien on
11 such ad valorem taxes so levied and on all proceeds derived therefrom and
12 shall have priority against all parties having claims of contract or tort
13 or otherwise against the city or village, whether or not the parties have
14 notice thereof. The absence of such declaration or affirmation shall not
15 reduce or degrade the priority or secured status of such bonds otherwise
16 existing under law.

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

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

24 **Sec. 68.** Section 13-503, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 13-503 For purposes of the Nebraska Budget Act, unless the context
27 otherwise requires:

28 (1) Governing body means the governing body of any county
29 agricultural society, elected county fair board, joint airport authority
30 formed under the Joint Airport Authorities Act, city or county airport
31 authority, bridge commission created pursuant to section 39-868, cemetery

1 district, city, village, municipal county, community college, community
2 redevelopment authority, county, drainage or levee district, educational
3 service unit, rural or suburban fire protection district, historical
4 society, hospital district, irrigation district, learning community,
5 natural resources district, nonprofit county historical association or
6 society for which a tax is levied under subsection (1) of section
7 23-355.01, public building commission, railroad transportation safety
8 district, reclamation district, road improvement district, rural water
9 district, school district, community improvement district, sanitary and
10 improvement district, township, offstreet parking district, transit
11 authority, regional metropolitan transit authority, metropolitan
12 utilities district, Educational Service Unit Coordinating Council,
13 political subdivision with the authority to have a property tax request,
14 with the authority to levy a toll, or that receives state aid, and joint
15 entity created pursuant to the Interlocal Cooperation Act that receives
16 tax funds generated under section 2-3226.05;

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

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

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

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

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

28 (7) Public funds means all money, including nontax money, used in
29 the operation and functions of governing bodies. For purposes of a
30 county, city, or village which has a lottery established under the
31 Nebraska County and City Lottery Act, only those net proceeds which are

1 actually received by the county, city, or village from a licensed lottery
2 operator shall be considered public funds, and public funds shall not
3 include amounts awarded as prizes;

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

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

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

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

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

31 13-518 For purposes of sections 13-518 to 13-522:

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

17 (2) Capital improvements means (a) acquisition of real property or
18 (b) acquisition, construction, or extension of any improvements on real
19 property;

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

23 (4) Governmental unit means every political subdivision which has
24 authority to levy a property tax or authority to request levy authority
25 under section 77-3443, except that such term shall not include (a)
26 community improvement districts and sanitary and improvement districts
27 which have been in existence for five years or less, (b) school
28 districts, or (c) for fiscal years beginning on or after July 1, 2025,
29 counties, cities, or villages;

30 (5) Qualified sinking fund means a fund or funds maintained
31 separately from the general fund to pay for acquisition or replacement of

1 tangible personal property with a useful life of five years or more which
2 is to be undertaken in the future but is to be paid for in part or in
3 total in advance using periodic payments into the fund. The term includes
4 sinking funds under subdivision (13) of section 35-508 for firefighting
5 and rescue equipment or apparatus;

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

21 (7) State aid means:

22 (a) For all governmental units, state aid paid pursuant to sections
23 60-3,202 and 77-3523 and reimbursement provided pursuant to section
24 77-1239;

25 (b) For municipalities, state aid to municipalities paid pursuant to
26 sections 39-2501 to 39-2520, 60-3,190, and 77-27,139.04 and insurance
27 premium tax paid to municipalities;

28 (c) For counties, state aid to counties paid pursuant to sections
29 60-3,184 to 60-3,190, insurance premium tax paid to counties, and
30 reimbursements to counties from funds appropriated pursuant to section
31 29-3933;

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

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

5 (f) For local public health departments as defined in section
6 71-1626, state aid as distributed under section 71-1628.08.

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

9 13-803 For purposes of the Interlocal Cooperation Act:

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

12 (2) Public agency shall mean any county, city, village, school
13 district, or agency of the state government or of the United States, any
14 drainage district, community improvement district, sanitary and
15 improvement district, or other municipal corporation or political
16 subdivision of this state, and any political subdivision of another
17 state;

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

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

23 **Sec. 71.** Section 13-2202, Revised Statutes Cumulative Supplement,
24 2024, is amended to read:

25 13-2202 For purposes of the Local Government Miscellaneous
26 Expenditure Act:

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

29 (2) Governing body shall mean, in the case of a city of any class,
30 the city council; in the case of a village, cemetery district, community
31 hospital for two or more adjoining counties, county hospital, road

1 improvement district, sanitary drainage district, community improvement
2 district, or sanitary and improvement district, the board of trustees; in
3 the case of a county, the county board; in the case of a municipal
4 county, the council; in the case of a township, the town board; in the
5 case of a school district, the school board; in the case of a rural or
6 suburban fire protection district, reclamation district, natural
7 resources district, regional metropolitan transit authority, or hospital
8 district, the board of directors; in the case of a county, district, or
9 city-county health department, the board of health; in the case of an
10 educational service unit, the board; in the case of a community college,
11 the Community College Board of Governors for the area the board serves;
12 in the case of an airport authority, the airport authority board; in the
13 case of a weed control authority, the board; in the case of a county
14 agricultural society, the board of governors; and in the case of a
15 learning community, the learning community coordinating council;

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

27 (4) Public funds shall mean such public funds as defined in section
28 13-503 as are under the direct control of governing bodies of local
29 governments;

30 (5) Public meeting shall mean all regular, special, or called
31 meetings, formal or informal, of any governing body for the purposes of

1 briefing, discussion of public business, formation of tentative policy,
2 or the taking of any action of the governing body; and

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

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

10 13-2503 For purposes of the Joint Public Agency Act:

11 (1) Board means the board of representatives of a joint public
12 agency;

13 (2) Governing body has the same meaning as in section 13-503 and,
14 when referring to state agencies, includes the governing board of a state
15 agency or the Governor and, when referring to federal agencies, includes
16 the governing board of a federal agency or the President of the United
17 States;

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

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

25 (5) Public agency means any county, city, village, school district,
26 or agency of the state government or of the United States, any drainage
27 district, community improvement district, sanitary and improvement
28 district, or other municipal corporation or political subdivision of this
29 state, and any political subdivision of another state;

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

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

3 **Sec. 73.** Section 13-3304, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 13-3304 (1) Any city which encompasses an area greater than three
6 hundred acres eligible to be designated as an inland port district may
7 propose to create an inland port authority by ordinance, subject to the
8 cap on the total number of inland port districts provided in subsection
9 (4) of this section. In determining whether to propose the creation of an
10 inland port authority, the city shall consider the following criteria:

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

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

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

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

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

25 (2) Any city and one or more counties in which a city of the
26 metropolitan class, city of the primary class, or city of the first class
27 is located, or in which the extraterritorial zoning jurisdiction of such
28 city is located, which encompass an area greater than three hundred acres
29 eligible to be designated as an inland port district may enter into an
30 agreement pursuant to the Interlocal Cooperation Act to propose joint
31 creation of an inland port authority, subject to the cap on the total

1 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 city and counties shall consider the following criteria:

4 (a) The desirability and economic feasibility of locating an inland
5 port district within the corporate boundaries or extraterritorial zoning
6 jurisdiction or both of the city, or within both the corporate boundaries
7 or extraterritorial zoning jurisdiction or both of a city and the
8 boundaries of one or more counties;

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

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

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

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

20 (3) Any county with a population greater than fifteen ~~twenty~~
21 thousand inhabitants according to the most recent federal census or the
22 most recent revised certified count by the United States Bureau of the
23 Census which encompasses an area greater than three hundred acres
24 eligible to be designated as an inland port district may propose to
25 create an inland port authority by resolution, subject to the cap on the
26 total number of inland port districts provided in subsection (4) of this
27 section. In determining whether to propose the creation of an inland port
28 authority, the county shall consider the following criteria:

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

31 (b) The technical and economic capability of the county and any

1 other public or private entities to plan and carry out development within
2 the proposed inland port district;

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

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

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

11 (4) No more than eight ~~five~~ inland port districts may be designated
12 statewide. No more than one inland port district may be designated within
13 the boundaries of a city of the metropolitan class. No inland port
14 authority shall designate more than one inland port district, and no
15 inland port authority may be created without also designating an inland
16 port district.

17 (5) Following the adoption of an ordinance, resolution, or execution
18 of an agreement pursuant to the Interlocal Cooperation Act proposing
19 creation of an inland port authority, the city clerk or county clerk
20 shall transmit a copy of such ordinance, resolution, or agreement to the
21 Department of Economic Development along with an application for approval
22 of the proposal. Upon receipt of such ordinance, resolution, or agreement
23 and application, the department shall evaluate the proposed inland port
24 authority to determine whether the proposal meets the criteria in
25 subsection (1), (2), or (3) of this section, whichever is applicable, as
26 well as any prioritization criteria developed by the department. Upon a
27 determination that the proposed inland port authority sufficiently meets
28 such criteria, the Director of Economic Development shall certify to the
29 city clerk or county clerk whether the proposed creation of such inland
30 port authority exceeds the cap on the total number of inland port
31 districts pursuant to subsection (4) of this section. If the department

1 determines that the proposed inland port authority sufficiently meets
2 such criteria and does not exceed such cap, the inland port authority
3 shall be deemed created. If the proposed inland port authority does not
4 sufficiently meet such criteria or exceeds such cap, the city shall
5 repeal such ordinance, the county shall repeal such resolution, or the
6 city and county or counties shall rescind such agreement and the proposed
7 inland port authority shall not be created.

8 **Sec. 74.** Section 13-3309, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-3309 No inland port authority shall be required to pay any taxes
11 or any assessments whatsoever to the State of Nebraska or to any
12 political subdivision of the state, except for assessments under the
13 Nebraska Workers' Compensation Act and any combined tax due or payments
14 in lieu of contributions as required under the Employment Security Law.
15 The bonds issued under the Municipal Inland Port Authority Act, the
16 interest thereon, the proceeds received by a holder from the sale of such
17 bonds to the extent of the holder's cost of acquisition, or proceeds
18 received upon redemption prior to maturity, proceeds received at
19 maturity, and the receipt of such interest and proceeds of every inland
20 port authority and the income therefrom shall, at all times, be exempt
21 from any taxes and any assessments, except for inheritance and gift taxes
22 and taxes on transfers. Any real or personal property subject to a lease
23 agreement of an inland port authority, whether the authority is lessee or
24 lessor, shall be exempt from property taxation pursuant to section
25 77-202.

26 **Sec. 75.** Section 14-102, Revised Statutes Cumulative Supplement,
27 2024, is amended to read:

28 14-102 In addition to the powers granted in section 14-101, cities
29 of the metropolitan class shall have power by ordinance:

- 30 (1) To levy any tax or special assessment authorized by law;
31 (2) To provide a corporate seal for the use of the city, and also

1 any official seal for the use of any officer, board, or agent of the
2 city, whose duties require an official seal to be used. Such corporate
3 seal shall be used in the execution of municipal bonds, warrants,
4 conveyances, and other instruments and proceedings as required by law;

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

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

11 (5) To adopt all such measures as may be deemed necessary for the
12 accommodation and protection of strangers and the traveling public in
13 person and property;

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

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

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

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

28 (10) To provide for the prevention of cruelty to children and
29 animals;

30 (11) To regulate, license, or prohibit the running at large of dogs
31 and other animals within the city as well as in areas within the

1 extraterritorial zoning jurisdiction of the city; to guard against
2 injuries or annoyance from such dogs and other animals; and to authorize
3 the destruction of such dogs and other animals when running at large
4 contrary to the provisions of any ordinance. Any licensing provision
5 shall comply with subsection (2) of section 54-603 for service animals;

6 (12) To provide for keeping sidewalks clean and free from
7 obstructions and accumulations; to provide for the assessment and
8 collection of taxes on real estate and for the sale and conveyance
9 thereof; and to pay the expenses of keeping the sidewalk adjacent to such
10 real estate clean and free from obstructions and accumulations as
11 provided by law;

12 (13) To provide for the planting and protection of shade or
13 ornamental and useful trees upon streets or boulevards; to assess the
14 cost of such trees to the extent of benefits upon the abutting property
15 as a special assessment; to provide for the protection of birds and
16 animals and their nests; to provide for the trimming of trees located
17 upon streets and boulevards or when the branches of trees overhang
18 streets and boulevards when in the judgment of the mayor and city council
19 such trimming is made necessary to properly light such street or
20 boulevard or to furnish proper police protection; and to assess the cost
21 of such trimming upon the abutting property as a special assessment;

22 (14) To provide for, regulate, and require the numbering or
23 renumbering of houses along public streets or avenues; and to care for
24 and control and to name and rename streets, avenues, parks, and squares
25 within the city;

26 (15) To require weeds and worthless vegetation growing upon any lot
27 or piece of ground within the city or its extraterritorial zoning
28 jurisdiction to be cut and destroyed so as to abate any nuisance
29 occasioned by such vegetation; to prohibit and control the throwing,
30 depositing, or accumulation of litter on any lot or piece of ground
31 within the city or its extraterritorial zoning jurisdiction; to require

1 the removal of such litter so as to abate any nuisance occasioned
2 thereby. If the owner fails to cut and destroy weeds and worthless
3 vegetation or remove litter, or both, after notice as required by
4 ordinance, the city may assess the cost of such destruction or removal
5 upon the lots or lands as a special assessment. The required notice may
6 be by publication in the official newspaper of the city and may be
7 directed in general terms to the owners of lots and lands affected
8 without naming such owners;

9 (16) To prohibit and regulate the running at large or the herding or
10 driving of domestic animals, such as hogs, cattle, horses, sheep, goats,
11 fowls, or animals of any kind or description within the corporate limits;
12 to provide for the impounding of all animals running at large, herded, or
13 driven contrary to such prohibition and regulations; and to provide for
14 the forfeiture and sale of animals impounded to pay the expense of taking
15 up, caring for, and selling such impounded animals, including the cost of
16 advertising and fees of officers;

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

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

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

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

28 (21) To regulate and prevent the use of streets, sidewalks, and
29 public grounds for signs, posts, awnings, awning posts, scales, or other
30 like purposes; and to regulate and prohibit the exhibition or carrying or
31 conveying of banners, placards, advertisements, or the distribution or

1 posting of advertisements or handbills in the streets or public grounds
2 or upon the sidewalks;

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

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

11 (24) To prohibit, restrain, and suppress houses of prostitution,
12 opium joints, gambling houses, prize fighting, dog fighting, cock
13 fighting, and other disorderly houses and practices, all games and
14 gambling, and all kinds of indecencies; to regulate and license or
15 prohibit the keeping and use of billiard tables, bowling alleys, shooting
16 galleries except as provided in the Nebraska Shooting Range Protection
17 Act, and other similar places of amusement; and to prohibit and suppress
18 all lotteries and gift enterprises of all kinds under whatsoever name
19 carried on, except that nothing in this subdivision shall be construed to
20 apply to bingo, lotteries, lotteries by the sale of pickle cards, or
21 raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska
22 Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the
23 Nebraska Small Lottery and Raffle Act, or the State Lottery Act;

24 (25) To make and enforce all police regulations for the good
25 government, general welfare, health, safety, and security of the city and
26 the citizens of the city in addition to the police powers expressly
27 granted by law; in the exercise of the police power, to pass all needful
28 and proper ordinances and impose fines, forfeitures, and penalties for
29 the violation of any ordinance; to provide for the recovery, collection,
30 and enforcement of such fines; and in default of payment to provide for
31 confinement in the city or county prison or other place of confinement as

1 may be provided by ordinance;

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

3 (27) To establish and maintain public libraries, art galleries, and
4 museums and to provide the necessary grounds or buildings for such
5 libraries, galleries, and museums; to purchase books, papers, maps,
6 manuscripts, works of art, and objects of natural or of scientific
7 curiosity and instruction for such libraries, galleries, and museums; to
8 receive donations and bequests of money or property for such libraries,
9 galleries, and museums in trust or otherwise; and to pass necessary
10 bylaws and regulations for the protection and government of such
11 libraries, art galleries, and museums;

12 (28) To erect, designate, establish, maintain, and regulate
13 hospitals, houses of correction, jails, station houses, fire engine
14 houses, asphalt repair plants, and other necessary buildings; to erect,
15 designate, establish, maintain, and regulate plants for the removal,
16 disposal, or recycling of garbage and refuse or to make contracts for
17 garbage and refuse removal, disposal, or recycling, or all of the same;
18 and to charge equitable fees for such removal, disposal, or recycling, or
19 all of the same, except as provided by law. The fees collected pursuant
20 to this subdivision shall be credited to a single fund to be used
21 exclusively by the city for the removal, disposal, or recycling of
22 garbage and refuse, or all of the same, including any costs incurred for
23 collecting the fee. Before any contract for such removal, disposal, or
24 recycling is let, the city council shall make specifications for such
25 contract, bids shall be advertised for as now provided by law, and the
26 contract shall be let to the lowest and best bidder, who shall furnish
27 bond to the city conditioned upon his or her carrying out the terms of
28 the contract, the bond to be approved by the city council. Nothing in
29 this section, and no contract or regulation made by the city council,
30 shall be so construed as to prohibit any person, firm, or corporation
31 engaged in any business in which garbage or refuse accumulates as a

1 byproduct from selling, recycling, or otherwise disposing of his, her, or
2 its garbage or refuse or hauling such garbage or refuse through the
3 streets and alleys under such uniform and reasonable regulations as the
4 city council may by ordinance prescribe for the removal and hauling of
5 garbage or refuse;

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

12 (30) To prohibit the establishment of additional cemeteries within
13 the limits of the city; to regulate the registration of births and
14 deaths; to direct the keeping and returning of bills of mortality; and to
15 impose penalties on physicians, sextons, and others for any default in
16 the premises;

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

21 (32) To enact a fire code and regulate the erection of all buildings
22 and other structures within the corporate limits; to provide for the
23 removal of any buildings or structures or additions to buildings or
24 structures erected contrary to such code or regulations and to provide
25 for the removal of dangerous buildings; but no such code or regulation
26 shall be suspended or modified by resolution, nor shall exceptions be
27 made by ordinance or resolution in favor of any person, firm, or
28 corporation or concerning any particular lot or building; to direct that
29 when any building has been damaged by fire, decay, or otherwise, to the
30 extent of fifty percent of the value of a similar new building above the
31 foundation, shall be torn down or removed; to prescribe the manner of

1 ascertaining such damages and to assess the cost of removal of any
2 building erected or existing contrary to such code or regulations against
3 the lot or real estate upon which such building or structure is located
4 or shall be erected or to collect such costs from the owner of any such
5 building or structure; and to enforce the collection of such costs by
6 civil action in any court of competent jurisdiction;

7 (33) To regulate the construction, use, and maintenance of party
8 walls, to prescribe and regulate the thickness, strength, and manner of
9 constructing stone, brick, wood, or other buildings and the size and
10 shape of brick and other material placed in such buildings; to prescribe
11 and regulate the construction and arrangement of fire escapes and the
12 placing of iron and metallic shutters and doors in or on such fire
13 escapes; to provide for the inspection of elevators; to prescribe,
14 regulate, and provide for the inspection of all plumbing, pipefitting, or
15 sewer connections in all houses or buildings now or hereafter erected; to
16 regulate the size, number, and manner of construction of halls, doors,
17 stairways, seats, aisles, and passageways of theaters and buildings of a
18 public character, whether now built or hereafter to be built, so that
19 there may be convenient, safe, and speedy exit in case of fire; to
20 prevent the dangerous construction and condition of chimneys, fireplaces,
21 hearths, stoves, stovepipes, ovens, boilers, and heating appliances used
22 in or about any building and to cause such appliances to be removed or
23 placed in safe condition when they are considered dangerous; to prevent
24 the deposit of ashes in unsafe places and to cause such buildings and
25 enclosures as may be in a dangerous state to be put in a safe condition;
26 to prevent the disposing of and delivery or use in any building or other
27 structure of unsuitable building material within the city limits and
28 provide for the inspection of building materials; to provide for the
29 abatement of dense volumes of smoke; to regulate the construction of
30 areaways, stairways, and vaults and to regulate partition fences; and to
31 enforce proper heating and ventilation of buildings used for schools or

1 other buildings where large numbers of persons are liable to congregate;

2 (34) To regulate levees, depots and depot grounds, and places for
3 storing freight and goods and to provide for and regulate the laying of
4 tracks and the passage of railways through the streets, alleys, and
5 public grounds of the city;

6 (35) To require the lighting of any railway within the city and to
7 fix and determine the number, size, and style of all fixtures and
8 apparatus necessary for such lighting and the points of location for such
9 lampposts. If any company owning or operating such railways shall fail to
10 comply with such requirements, the city council may cause such lighting
11 to be done and may assess the expense of such lighting against such
12 company. Such expense shall constitute a lien upon any real estate
13 belonging to such company and lying within such city and may be collected
14 in the same manner as taxes for general purposes;

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

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

24 (38) To acquire, by the exercise of the power of eminent domain or
25 otherwise, lease, purchase, construct, own, maintain, operate, or
26 contract for the operation of public passenger transportation systems,
27 excluding taxicabs, transportation network companies and railroad
28 systems, including all property and facilities required for such public
29 passenger transportation systems, within and without the limits of the
30 city; to redeem such property from prior encumbrance in order to protect
31 or preserve the interest of the city in such property; to exercise all

1 powers granted by the Constitution of Nebraska and laws of the State of
2 Nebraska or exercised by or pursuant to a home rule charter adopted
3 pursuant thereto, including, but not limited to, receiving and accepting
4 from the government of the United States or any agency thereof, from the
5 State of Nebraska or any subdivision thereof, and from any person or
6 corporation donations, devises, gifts, bequests, loans, or grants for or
7 in aid of the acquisition, operation, and maintenance of such public
8 passenger transportation systems; to administer, hold, use, and apply
9 such donations, devises, gifts, bequests, loans, or grants for the
10 purposes for which such donations, devises, gifts, bequests, loans, or
11 grants may have been made; to negotiate with employees and enter into
12 contracts of employment; to employ by contract or otherwise individuals
13 singularly or collectively; to enter into agreements authorized under the
14 Interlocal Cooperation Act or the Joint Public Agency Act; to contract
15 with an operating and management company for the purpose of operating,
16 servicing, and maintaining any public passenger transportation systems
17 the city shall acquire; and to exercise such other and further powers as
18 may be necessary, incident, or appropriate to the powers of the city; ~~and~~

19 (39) In addition to powers conferred elsewhere in the laws of the
20 state, to implement and enforce an air pollution control program within
21 the corporate limits of the city under subdivision (23) of section
22 81-1504 or subsection (1) of section 81-1528, which program shall be
23 consistent with the federal Clean Air Act, as amended, 42 U.S.C. 7401 et
24 seq. Such powers shall include without limitation those involving
25 injunctive relief, civil penalties, criminal fines, and burden of proof.
26 Nothing in this section shall preclude the control of air pollution by
27 resolution, ordinance, or regulation not in actual conflict with state
28 air pollution control regulations; ~~and -~~

29 (40) To regulate any housing agency in a city of the metropolitan
30 class, with respect to:

31 (a) Providing for code enforcement for all properties owned and

1 controlled by such housing agency;

2 (b) Providing for complaint-based inspections of all properties
3 managed by such housing agency;

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

7 (d) Setting penalties for code violations and failure to properly
8 manage properties; and

9 (e) Requiring monthly updates to the city council of such city of
10 the metropolitan class. Such update shall include complaint information
11 on pest control issues and any mitigation efforts completed by the
12 housing agency.

13 **Sec. 76.** Section 18-2102, Revised Statutes Supplement, 2025, is
14 amended to read:

15 18-2102 It is hereby found and declared that there exist in cities
16 of all classes and villages of this state areas which have deteriorated
17 and become substandard and blighted because of the unsafe, insanitary,
18 inadequate, or overcrowded condition of the dwellings therein, or because
19 of inadequate planning of the area, or excessive land coverage by the
20 buildings thereon, or the lack of proper light and air and open space, or
21 because of the defective design and arrangement of the buildings thereon,
22 or faulty street or lot layout, or congested traffic conditions, or
23 economically or socially undesirable land uses, or the lack of affordable
24 housing in the area, or the existence of underdeveloped parcels that have
25 been within the extraterritorial zoning jurisdiction of the city for more
26 than twenty-five years. Such conditions or a combination of some or all
27 of them have resulted and will continue to result in making such areas
28 economic or social liabilities harmful to the social and economic well-
29 being of the entire communities in which they exist, needlessly
30 increasing public expenditures, imposing onerous municipal burdens,
31 decreasing the tax base, reducing tax revenue, substantially impairing or

1 arresting the sound growth of municipalities, aggravating traffic
2 problems, substantially impairing or arresting the elimination of traffic
3 hazards and the improvement of traffic facilities, and depreciating
4 general community-wide values. The existence of such areas contributes
5 substantially and increasingly to the spread of disease and crime,
6 necessitating excessive and disproportionate expenditures of public funds
7 for the preservation of the public health and safety, for crime
8 prevention, correction, prosecution, punishment and the treatment of
9 juvenile delinquency, and for the maintenance of adequate police, fire,
10 and accident protection and other public services and facilities. These
11 conditions are beyond remedy and control solely by regulatory process in
12 the exercise of the police power and cannot be dealt with effectively by
13 the ordinary operations of private enterprise without the aids herein
14 provided. The elimination of such conditions and the acquisition and
15 preparation of land in or necessary to the renewal of substandard and
16 blighted areas and its sale or lease for development or redevelopment in
17 accordance with general plans and redevelopment plans of communities and
18 any assistance which may be given by any state public body in connection
19 therewith are public uses and purposes for which public money may be
20 expended and private property acquired. The necessity in the public
21 interest for the provisions of the Community Development Law is hereby
22 declared to be a matter of legislative determination.

23 It is further found and declared that the prevention and elimination
24 of blight is a matter of state policy, public interest, and statewide
25 concern and within the powers and authority inhering in and reserved to
26 the state, in order that the state and its municipalities shall not
27 continue to be endangered by areas which are focal centers of disease,
28 promote juvenile delinquency, and consume an excessive proportion of
29 their revenue.

30 It is further found and declared that certain substandard and
31 blighted areas, or portions thereof, may require acquisition, clearance,

1 and disposition, subject to use restrictions, as provided in the
2 Community Development Law, since the prevailing conditions of decay may
3 make impracticable the reclamation of the area by conservation or
4 rehabilitation; that other areas or portions thereof may, through the
5 means provided in the Community Development Law, be susceptible of
6 conservation or rehabilitation in such a manner that the conditions and
7 evils, hereinbefore enumerated, may be eliminated, remedied, or
8 prevented; and that salvageable substandard and blighted areas can be
9 conserved and rehabilitated through appropriate public action and the
10 cooperation and voluntary action of the owners and tenants of property in
11 such areas.

12 **Sec. 77.** Section 18-2103, Revised Statutes Supplement, 2025, is
13 amended to read:

14 18-2103 For purposes of the Community Development Law, unless the
15 context otherwise requires:

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

20 (2) Area of operation means and includes the area within the
21 corporate limits of the city, the land that lies within the city's
22 extraterritorial zoning jurisdiction, and such land outside the city and
23 outside the city's extraterritorial zoning jurisdiction as may come
24 within the purview of section ~~sections 18-2123 and~~ 18-2123.01;

25 (3) Authority means any community redevelopment authority created
26 pursuant to section 18-2102.01 and any community development agency
27 created pursuant to section 18-2101.01 and does not include a limited
28 community redevelopment authority;

29 (4) Blighted area means an area (a) which, by reason of the presence
30 of a substantial number of deteriorated or deteriorating structures,
31 existence of defective or inadequate street layout, faulty lot layout in

1 relation to size, adequacy, accessibility, or usefulness, insanitary or
2 unsafe conditions, deterioration of site or other improvements, diversity
3 of ownership, tax or special assessment delinquency exceeding the fair
4 value of the land, defective or unusual conditions of title, improper
5 subdivision, obsolete or no platting, ~~or~~ the existence of conditions
6 which endanger life or property by fire and other causes, or the
7 existence of underdeveloped parcels that have been within the
8 extraterritorial zoning jurisdiction of the city for more than twenty-
9 five years, or any combination of such factors, substantially impairs or
10 arrests the sound growth of the community, retards the provision of
11 housing accommodations, or constitutes an economic or social liability
12 and is detrimental to the public health, safety, morals, or welfare in
13 its present condition and use and (b) in which there is at least one of
14 the following conditions: (i) Unemployment in the designated area is at
15 least one hundred twenty percent of the state or national average; (ii)
16 the average age of the residential or commercial units in the area is at
17 least forty years; (iii) more than half of the plotted and subdivided
18 property in an area is unimproved land that has been within the city for
19 forty years and has remained unimproved during that time; (iv) the per
20 capita income of the area is lower than the average per capita income of
21 the city or village in which the area is designated; (v) the area has had
22 either stable or decreasing population based on the last two decennial
23 censuses; or (vi) less than twenty percent of the housing in the area is
24 affordable housing. In no event shall a city of the metropolitan,
25 primary, or first class designate more than thirty-five percent of the
26 city and the city's extraterritorial zoning jurisdiction as blighted, a
27 city of the second class shall not designate an area larger than fifty
28 percent of the city and the city's extraterritorial zoning jurisdiction
29 as blighted, and a village shall not designate an area larger than one
30 hundred percent of the village and the village's extraterritorial zoning
31 jurisdiction as blighted. A redevelopment project involving a formerly

1 used defense site as authorized under section 18-2123.01, any area which
2 is located within a good life district established under the Good Life
3 Transformational Projects Act, and any area declared to be an extremely
4 blighted area under section 18-2101.02 shall not count towards the
5 percentage limitations contained in this subdivision;

6 (5) Bonds means any bonds, including refunding bonds, notes, interim
7 certificates, debentures, or other obligations issued pursuant to the
8 Community Development Law except for bonds issued pursuant to section
9 18-2142.04;

10 (6) Business means any private business located in an enhanced
11 employment area;

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

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

14 (9) Community redevelopment area means a substandard and blighted
15 area which the community redevelopment authority designates as
16 appropriate for a redevelopment project;

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

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

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

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

31 (14) Extremely blighted area means: a

1 (a) A substandard and blighted area in which: (i) ~~(a)~~ The average
2 rate of unemployment in the area during the period covered by the most
3 recent American Community Survey 5-Year Estimate is at least one hundred
4 ~~fifty two~~ hundred percent of the average rate of unemployment in the
5 state during the same period; and (ii) ~~(b)~~ the average poverty rate in
6 the area exceeds fifteen ~~twenty~~ percent for the total federal census
7 tract or tracts or federal census block group or block groups in the
8 area; or

9 (b) A substandard and blighted area that has a higher-than-average
10 unemployment rate and a higher-than-average poverty rate when compared to
11 the rest of the state, as determined by the governing body of the city.
12 In making such determination, the governing body may use any information
13 available to such governing body. This subdivision (b) shall only apply
14 if the governing body determines that the federal data described in
15 subdivision (14)(a) of this section is unreliable or lacking for the area
16 in question;

17 (15) Federal government means the United States of America, or any
18 agency or instrumentality, corporate or otherwise, of the United States
19 of America;

20 (16) Governing body or local governing body means the city council,
21 board of trustees, or other legislative body charged with governing the
22 municipality;

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

26 (18) Mayor means the mayor of the city or chairperson of the board
27 of trustees of the village;

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

30 (20) Number of new employees means the number of equivalent
31 employees that are employed at a business as a result of the

1 redevelopment project during a year that are in excess of the number of
2 equivalent employees during the year immediately prior to the year that a
3 redevelopment plan is adopted;

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

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

11 (23) Person means any individual, firm, partnership, limited
12 liability company, corporation, company, association, joint-stock
13 association, or body politic and includes any trustee, receiver,
14 assignee, or other similar representative thereof;

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

18 (25) Real property means all lands, including improvements and
19 fixtures thereon, and property of any nature appurtenant thereto, or used
20 in connection therewith, and every estate, interest and right, legal or
21 equitable, therein, including terms for years and liens by way of
22 judgment, mortgage, or otherwise, and the indebtedness secured by such
23 liens;

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

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

30 (28) Redevelopment plan means a plan, as it exists from time to time
31 for one or more community redevelopment areas, or for a redevelopment

1 project, which (a) conforms to the general plan for the municipality as a
2 whole and (b) is sufficiently complete to indicate such land acquisition,
3 demolition and removal of structures, redevelopment, improvements, and
4 rehabilitation as may be proposed to be carried out in the community
5 redevelopment area, zoning and planning changes, if any, land uses,
6 maximum densities, and building requirements;

7 (29) Redevelopment project means any work or undertaking in one or
8 more community redevelopment areas: (a) To acquire substandard and
9 blighted areas or portions thereof, including lands, structures, or
10 improvements the acquisition of which is necessary or incidental to the
11 proper clearance, development, or redevelopment of such substandard and
12 blighted areas; (b) to clear any such areas by demolition or removal of
13 existing buildings, structures, streets, utilities, or other improvements
14 thereon and to install, construct, or reconstruct streets, utilities,
15 parks, playgrounds, public spaces, public parking facilities, sidewalks
16 or moving sidewalks, convention and civic centers, bus stop shelters,
17 lighting, benches or other similar furniture, trash receptacles,
18 shelters, skywalks and pedestrian and vehicular overpasses and
19 underpasses, enhancements to structures in the redevelopment plan area
20 which exceed minimum building and design standards in the community and
21 prevent the recurrence of substandard and blighted conditions, and any
22 other necessary public improvements essential to the preparation of sites
23 for uses in accordance with a redevelopment plan; (c) to sell, lease, or
24 otherwise make available land in such areas for residential,
25 recreational, commercial, industrial, or other uses, including parking or
26 other facilities functionally related or subordinate to such uses, or for
27 public use or to retain such land for public use, in accordance with a
28 redevelopment plan; and may also include the preparation of the
29 redevelopment plan, the planning, survey, and other work incident to a
30 redevelopment project and the preparation of all plans and arrangements
31 for carrying out a redevelopment project; (d) to dispose of all real and

1 personal property or any interest in such property, or assets, cash, or
2 other funds held or used in connection with residential, recreational,
3 commercial, industrial, or other uses, including parking or other
4 facilities functionally related or subordinate to such uses, or any
5 public use specified in a redevelopment plan or project, except that such
6 disposition shall be at its fair value for uses in accordance with the
7 redevelopment plan; (e) to acquire real property in a community
8 redevelopment area which, under the redevelopment plan, is to be repaired
9 or rehabilitated for dwelling use or related facilities, repair or
10 rehabilitate the structures, and resell the property; (f) to carry out
11 plans for a program of voluntary or compulsory repair, rehabilitation, or
12 demolition of buildings in accordance with the redevelopment plan; ~~and~~
13 (g) to carry out construction of affordable housing; and (h) to carry out
14 the development of underdeveloped parcels that have been within the
15 extraterritorial zoning jurisdiction of the city for more than twenty-
16 five years;

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

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

24 (32) Substandard area means (a) an area in which less than twenty
25 percent of the housing is affordable housing, (b) an area ~~or~~ in which
26 there is a predominance of buildings or improvements, whether
27 nonresidential or residential in character, which, by reason of
28 dilapidation, deterioration, age or obsolescence, inadequate provision
29 for ventilation, light, air, sanitation, or open spaces, high density of
30 population and overcrowding, or the existence of conditions which
31 endanger life or property by fire and other causes, or any combination of

1 such factors, is conducive to ill health, transmission of disease, infant
2 mortality, juvenile delinquency, and crime, (which cannot be remedied
3 through construction of prisons), and is detrimental to the public
4 health, safety, morals, or welfare, or (c) an area within the city's
5 extraterritorial zoning jurisdiction that contains underdeveloped parcels
6 that have been underdeveloped for more than twenty-five years; and

7 (33) Workforce housing means:

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

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

11 (c) Owner-occupied housing units that cost not more than two hundred
12 seventy-five thousand dollars to construct or rental housing units that
13 cost not more than two hundred thousand dollars per unit to construct.
14 For purposes of this subdivision (c), housing unit costs shall be updated
15 annually by the Department of Economic Development based upon the most
16 recent increase or decrease in the Producer Price Index for all
17 commodities, published by the United States Department of Labor, Bureau
18 of Labor Statistics;

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

22 (e) Upper-story housing.

23 **Sec. 78.** Section 18-2108, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 18-2108 An authority shall not acquire real property for a
26 redevelopment project within the corporate limits of a city or a city's
27 extraterritorial zoning jurisdiction unless the governing body of such
28 ~~the city in which the redevelopment project area is located~~ has approved
29 the redevelopment plan, as prescribed in section 18-2116 or 18-2155.

30 **Sec. 79.** Section 18-2123, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 18-2123 Upon a determination, by resolution, of the governing body
2 of the city in which such land is located, that the acquisition and
3 development of undeveloped vacant land, not within a substandard and
4 blighted area, is essential to the proper clearance or redevelopment of
5 substandard and blighted areas or a necessary part of the general
6 community redevelopment program of the city, ~~or that the acquisition and~~
7 ~~development of land outside the city, but within a radius of three miles~~
8 ~~thereof, is necessary or convenient to the proper clearance or~~
9 ~~redevelopment of one or more substandard and blighted areas within the~~
10 ~~city or is a necessary adjunct to the general community redevelopment~~
11 ~~program of the city,~~ the acquisition, planning, and preparation for
12 development or disposal of such land shall constitute a redevelopment
13 project which may be undertaken by the authority in the manner provided
14 in the Community Development Law.

15 **Sec. 80.** Section 18-2123.01, Reissue Revised Statutes of Nebraska,
16 is amended to read:

17 18-2123.01 (1) Notwithstanding any other provisions of the Community
18 Development Law to the contrary, a city may undertake a redevelopment
19 project that includes real property located outside the corporate limits
20 of such city and outside the city's extraterritorial zoning jurisdiction
21 if the following requirements have been met:

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

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

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

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

1 (e) The redevelopment project has been consented to by any city
2 exercising extraterritorial jurisdiction over the formerly used defense
3 site.

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

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

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

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

20 (4) A city approving a redevelopment project under this section and
21 the county in which the formerly used defense site is located may enter
22 into an agreement pursuant to the Interlocal Cooperation Act in which the
23 county agrees to reimburse such city for any services the city provides
24 to the formerly used defense site after approval of the redevelopment
25 project.

26 **Sec. 81.** Section 18-2147, Revised Statutes Supplement, 2025, is
27 amended to read:

28 18-2147 (1) Any redevelopment plan as originally approved or as
29 later modified pursuant to section 18-2117 may contain a provision that
30 any ad valorem tax levied upon real property, or any portion thereof, in
31 a redevelopment project for the benefit of any public body shall be

1 divided, for the applicable period described in subsection (4) of this
2 section, as follows:

3 (a) That portion of the ad valorem tax which is produced by the levy
4 at the rate fixed each year by or for each such public body upon the
5 redevelopment project valuation shall be paid into the funds of each such
6 public body in the same proportion as are all other taxes collected by or
7 for the body. When there is not a redevelopment project valuation on a
8 parcel or parcels, the county assessor shall determine the redevelopment
9 project valuation based upon the fair market valuation of the parcel or
10 parcels as of January 1 of the year prior to the year that the ad valorem
11 taxes are to be divided. The county assessor shall provide written notice
12 of the redevelopment project valuation to the authority as defined in
13 section 18-2103 and the owner. The authority or owner may protest the
14 valuation to the county board of equalization within thirty days after
15 the date of the valuation notice. All provisions of section 77-1502
16 except dates for filing of a protest, the period for hearing protests,
17 and the date for mailing notice of the county board of equalization's
18 decision are applicable to any protest filed pursuant to this section.
19 The county board of equalization shall decide any protest filed pursuant
20 to this section within thirty days after the filing of the protest. The
21 county clerk shall mail a copy of the decision made by the county board
22 of equalization on protests pursuant to this section to the authority or
23 owner within seven days after the board's decision. Any decision of the
24 county board of equalization may be appealed to the Tax Equalization and
25 Review Commission, in accordance with section 77-5013, within thirty days
26 after the date of the decision;

27 (b) That portion of the ad valorem tax on real property, as provided
28 in the redevelopment contract, bond resolution, or redevelopment plan, as
29 applicable, in the redevelopment project in excess of such amount, if
30 any, shall be allocated to and, when collected, paid into a special fund
31 of the authority to be used solely to pay the principal of, the interest

1 on, and any premiums due in connection with the bonds of, loans, notes,
2 or advances of money to, or indebtedness incurred by, whether funded,
3 refunded, assumed, or otherwise, such authority for financing or
4 refinancing, in whole or in part, the redevelopment project. When such
5 bonds, loans, notes, advances of money, or indebtedness, including
6 interest and premiums due, have been paid, the authority shall so notify
7 the county assessor and county treasurer and all ad valorem taxes upon
8 taxable real property in such a redevelopment project shall be paid into
9 the funds of the respective public bodies. An authority may use a single
10 fund for purposes of this subdivision for all redevelopment projects or
11 may use a separate fund for each redevelopment project; and

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

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

20 (3)(a) For any redevelopment plan located in a city of the
21 metropolitan class that includes a division of taxes, as provided in this
22 section, that produces, in whole or in part, funds to be used directly or
23 indirectly for (i) new construction, rehabilitation, or acquisition of
24 housing for households with annual incomes below the area median income
25 for households and located within six hundred yards of a public passenger
26 streetcar or (ii) new construction, rehabilitation, or acquisition of
27 single-family housing or condominium housing used as primary residences
28 for individuals with annual incomes below the area median income for
29 individuals, such housing shall be deemed related to the redevelopment
30 plan that authorized such division of taxes regardless of whether such
31 housing is or will be located on real property within such redevelopment

1 plan, as long as such housing supports activities occurring on or
2 identified in such redevelopment plan.

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

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

12 (4)(a) For any redevelopment plan for which more than fifty percent
13 of the property in the redevelopment project area has been declared an
14 extremely blighted area in accordance with section 18-2101.02, ad valorem
15 taxes shall be divided for a period not to exceed twenty years after the
16 effective date as identified in the project redevelopment contract or in
17 the resolution of the authority authorizing the issuance of bonds
18 pursuant to section 18-2124.

19 (b) For all other redevelopment plans, ad valorem taxes shall be
20 divided for a period not to exceed fifteen years after the effective date
21 as identified in the project redevelopment contract, in the resolution of
22 the authority authorizing the issuance of bonds pursuant to section
23 18-2124, or in the redevelopment plan, whichever is applicable.

24 (5) The effective date of a provision dividing ad valorem taxes as
25 provided in subsection (4) of this section shall not occur until such
26 time as the real property in the redevelopment project is within the
27 corporate boundaries of the city or within the city's extraterritorial
28 zoning jurisdiction. This subsection shall not apply to a redevelopment
29 project involving a formerly used defense site as authorized in section
30 18-2123.01.

31 (6) All notices of the provision for dividing ad valorem taxes shall

1 be sent by the authority to the county assessor on forms prescribed by
2 the Property Tax Administrator. The notice shall be sent to the county
3 assessor on or before July 1 of the year of the effective date of the
4 provision. Failure to satisfy the notice requirement of this section
5 shall result in the taxes, for all taxable years affected by the failure
6 to give notice of the effective date of the provision, remaining
7 undivided and being paid into the funds for each public body receiving
8 property taxes generated by the property in the redevelopment project.
9 However, the redevelopment project valuation for the remaining division
10 of ad valorem taxes in accordance with subdivisions (1)(a) and (b) of
11 this section shall be the last certified valuation for the taxable year
12 prior to the effective date of the provision to divide the taxes for the
13 remaining portion of the twenty-year or fifteen-year period pursuant to
14 subsection (4) of this section.

15 **Sec. 82.** Section 18-2155, Revised Statutes Cumulative Supplement,
16 2024, is amended to read:

17 18-2155 (1) The governing body of a city may elect by resolution to
18 allow expedited reviews of redevelopment plans that meet the requirements
19 of subsection (2) of this section. A redevelopment plan that receives an
20 expedited review pursuant to this section shall be exempt from the
21 requirements of sections 18-2111 to 18-2115 and 18-2116.

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

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

25 (b) The redevelopment project involves:

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

30 (ii) The redevelopment of a vacant platted lot or nonconforming lot
31 of record that is located within a substandard and blighted area that has

1 been within the corporate limits of the city or the city's
2 extraterritorial zoning jurisdiction for at least twenty-five ~~sixty~~ years
3 and has been platted or recorded for at least twenty-five ~~sixty~~ years;

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

6 (d) The assessed value of the property within the redevelopment
7 project area when the project is complete is estimated to be no more
8 than:

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

11 (ii) One million five hundred thousand dollars for a redevelopment
12 project involving a multi-family residential structure or commercial
13 structure; or

14 (iii) Ten million dollars for a redevelopment project involving the
15 revitalization of a structure included in the National Register of
16 Historic Places.

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

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

22 (a) A redeveloper shall prepare the redevelopment plan using a
23 standard form developed by the Department of Economic Development. The
24 form shall include (i) the existing uses and condition of the property
25 within the redevelopment project area, (ii) the proposed uses of the
26 property within the redevelopment project area, (iii) the number of years
27 the existing structure or vacant platted lot or nonconforming lot of
28 record has been within the corporate limits of the city or the city's
29 extraterritorial zoning jurisdiction ~~or the number of years that the~~
30 ~~vacant lot has been platted within the corporate limits of the city,~~
31 ~~whichever is applicable,~~ (iv) the current assessed value of the property

1 within the redevelopment project area, (v) the increase in the assessed
2 value of the property within the redevelopment project area that is
3 estimated to occur as a result of the redevelopment project, (vi) an
4 indication of whether the redevelopment project will be financed in whole
5 or in part through the division of taxes as provided in section 18-2147,
6 and (vii) the agreed-upon costs of the redevelopment project;

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

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

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

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

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

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

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

25 (a) The authority shall incur indebtedness related to the
26 redevelopment project which shall not exceed the lesser of the agreed-
27 upon costs of the redevelopment project or the amount estimated to be
28 generated over a fifteen-year period from the portion of taxes mentioned
29 in subdivision (1)(b) of section 18-2147. Such indebtedness shall not
30 create a general obligation on behalf of the authority or the city in the
31 event that the amount generated over a fifteen-year period from the

1 portion of taxes mentioned in subdivision (1)(b) of section 18-2147 does
2 not equal the costs of the agreed-upon work to repair, rehabilitate, or
3 replace the structure or to redevelop the vacant platted lot or
4 nonconforming lot of record as provided in the redevelopment plan;

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

9 (c) The county assessor shall then determine:

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

13 (ii) The assessed value of the property within the redevelopment
14 project area.

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

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

20 (b) That a valuation increase has occurred;

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

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

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

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

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

6 (11) The governing body of a city that elects to allow expedited
7 reviews of redevelopment plans under this section may revoke such
8 election by resolution at any time. The revocation of such election shall
9 not affect the validity of (a) any redevelopment plan or redevelopment
10 project that was approved under this section prior to the revocation of
11 such election or (b) any indebtedness incurred by the authority under
12 subdivision (6)(a) of this section prior to the revocation of such
13 election.

14 **Sec. 83.** Section 18-2705, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 18-2705 (1) Economic development program means any project or
17 program utilizing funds derived from local sources of revenue for the
18 purpose of providing direct or indirect financial assistance to a
19 qualifying business or the payment of related costs and expenses or both,
20 without regard to whether that business is identified at the time the
21 project or program is initiated or is to be determined by specified means
22 at some time in the future.

23 (2) An economic development program may include, but shall not be
24 limited to: (a) Direct loans or grants to qualifying businesses for fixed
25 assets or working capital or both, (b) loan guarantees for qualifying
26 businesses, (c) grants for public works improvements which are essential
27 to the location or expansion of, or the provision of new services by, a
28 qualifying business, (d) grants or loans to qualifying businesses for job
29 training, (e) the purchase of real estate, options for such purchases,
30 and the renewal or extension of such options, (f) grants or loans to
31 qualifying businesses to provide relocation incentives for new residents,

1 (g) the issuance of bonds as provided for in the Local Option Municipal
2 Economic Development Act, and (h) payments for salaries and support of
3 city staff to implement the economic development program or develop an
4 affordable housing action plan, including any such plan required under
5 section 19-5505, or payments for the contracting of such program
6 implementation or plan development to an outside entity.

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

13 ~~(a) Construction or rehabilitation for sale or lease of housing (i)~~
14 ~~for persons of low or moderate income, (ii) as part of a workforce~~
15 ~~housing plan, or (iii) as part of an affordable housing action plan,~~
16 ~~including any such plan required under section 19-5505;~~

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

20 (a) ~~(b)~~ Rural infrastructure development as defined in section
21 66-2102; or

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

23 (5) ~~(4)~~ An economic development program may be conducted jointly by
24 two or more cities after the approval of the program by the voters of
25 each participating city.

26 **Sec. 84.** Section 18-2709, Revised Statutes Supplement, 2025, is
27 amended to read:

28 18-2709 (1) Qualifying business means any corporation, partnership,
29 limited liability company, or sole proprietorship which derives its
30 principal source of income from any of the following: The manufacture of
31 articles of commerce; the conduct of research and development; the

1 processing, storage, transport, or sale of goods or commodities which are
2 sold or traded in interstate commerce; the sale of services in interstate
3 commerce; headquarters facilities relating to eligible activities as
4 listed in this section; telecommunications activities, including services
5 providing advanced telecommunications capability; tourism-related
6 activities; or the production of films, including feature, independent,
7 and documentary films, commercials, and television programs.

8 (2) Qualifying business also means:

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

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

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

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

26 (3) If a business which would otherwise be a qualifying business
27 employs people and carries on activities in more than one city in
28 Nebraska or will do so at any time during the first year following its
29 application for participation in an economic development program, it
30 shall be a qualifying business only if, in each such city, it maintains
31 employment for the first two years following the date on which such

1 business begins operations in the city as a participant in its economic
2 development program at a level not less than its average employment in
3 such city over the twelve-month period preceding participation.

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

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

12 **Sec. 85.** Section 31-735, Revised Statutes Cumulative Supplement,
13 2024, is amended to read:

14 31-735 (1) On the first Tuesday after the second Monday in September
15 which is at least fifteen months after the judgment of the district court
16 creating a sanitary and improvement district and on the first Tuesday
17 after the second Monday in September each two years thereafter, the board
18 of trustees shall cause a special election to be held, at which election
19 a board of trustees shall be elected. The board of trustees shall have
20 five members except as provided in subsection (2) of this section. Each
21 member elected to the board of trustees shall be elected to a term of two
22 years and shall hold office until such member's successor is elected and
23 qualified. Any person desiring to file for the office of trustee may file
24 for such office with the election commissioner, or county clerk in
25 counties having no election commissioner, of the county in which the
26 greater proportion in area of the district is located not later than
27 fifty days before the election. If such person will serve on the board of
28 trustees as a designated representative of a limited partnership, general
29 partnership, limited liability company, public, private, or municipal
30 corporation, estate, or trust which owns real estate in the district, the
31 filing shall indicate that fact and shall include appropriate

1 documentation evidencing such fact. No filing fee shall be required. A
2 person filing for the office of trustee to be elected at the election
3 held four years after the first election of trustees and each election
4 thereafter shall designate whether such person is a candidate for
5 election by the resident owners of such district or a candidate for
6 election by all of the owners of real estate located in the district. If
7 a person filing for the office of trustee is a designated representative
8 of a limited partnership, a general partnership, a limited liability
9 company, a public, private, or municipal corporation, an estate, or a
10 trust which owns real estate in the district, the name of such entity
11 shall accompany the name of the candidate on the ballot in the following
12 form: (Name of candidate) to represent (name of entity) as a member of
13 the board. The name of each candidate shall appear on only one ballot.

14 The name of a person may be written in and voted for as a candidate
15 for the office of trustee, and such write-in candidate may be elected to
16 the office of trustee. A write-in candidate for the office of trustee who
17 will serve as a designated representative of a limited partnership, a
18 general partnership, a limited liability company, a public, private, or
19 municipal corporation, an estate, or a trust which owns real estate in
20 the district shall not be elected to the office of trustee unless (a)
21 each vote is accompanied by the name of the entity which the candidate
22 will represent and (b) within ten days after the date of the election the
23 candidate provides the election commissioner or county clerk with
24 appropriate documentation evidencing the candidate's representation of
25 the entity. Votes cast which do not carry such accompanying designation
26 shall not be counted.

27 A trustee shall be an owner of real estate located in the district
28 or shall be a person designated to serve as a representative on the board
29 of trustees if the real estate is owned by a limited partnership, a
30 general partnership, a limited liability company, a public, private, or
31 municipal corporation, an estate, or a trust. Notice of the date of the

1 election shall be mailed by the clerk of the district not later than
2 sixty-five days prior to the election to each person who is entitled to
3 vote at the election for trustees whose property ownership or lease
4 giving a right to vote is of record on the records of the register of
5 deeds as of a date designated by the election commissioner or county
6 clerk, which date shall be not more than eighty days prior to the
7 election.

8 (2)(a) For any sanitary and improvement district, a person whose
9 ownership or right to vote becomes of record or is received after the
10 date specified pursuant to subsection (1) of this section may vote when
11 such person establishes the right to vote to the satisfaction of the
12 election board. At the first election and at the election held two years
13 after the first election, any person may cast one vote for each trustee
14 for each acre of unplatted land or fraction thereof and one vote for each
15 platted lot which such person may own in the district.

16 (b) This subdivision applies to a district until the board of
17 trustees amends its articles of association pursuant to subdivision (2)
18 (d) of this section. At the elections ~~election~~ held four years and six
19 years after the first election of trustees, two members of the board of
20 trustees shall be elected by the legal property owners resident within
21 such sanitary and improvement district and three members shall be elected
22 by all of the owners of real estate located in the district pursuant to
23 this section. Every resident property owner may cast one vote for a
24 candidate for each office of trustee to be filled by election of resident
25 property owners only. Such resident property owners may also each cast
26 one vote for each acre of unplatted land or fraction thereof and for each
27 platted lot owned within the district for a candidate for each office of
28 trustee to be filled by election of all property owners. For each office
29 of trustee to be filled by election of all property owners of the
30 district, every legal property owner not resident within such sanitary
31 and improvement district may cast one vote for each acre of unplatted

1 land or fraction thereof and one vote for each platted lot which such
2 legal property owner owns in the district. At the election held eight ~~six~~
3 years after the first election of trustees and at each election
4 thereafter, three members of the board of trustees shall be elected by
5 the legal property owners resident within such sanitary and improvement
6 district and two members shall be elected by all of the owners of real
7 estate located in the district pursuant to this section. If there are not
8 any legal property owners resident within such district or if not less
9 than ninety percent of the area of the district is owned for other than
10 residential uses, the five members shall be elected by the legal property
11 owners of all property within such district as provided in this section.

12 (c) Any public, private, or municipal corporation owning any land or
13 lot in the district may vote at an election the same as an individual. If
14 more than fifty percent of the homes in any sanitary and improvement
15 district are used as a second, seasonal, or recreational residence, the
16 owners of such property shall be considered legal property owners
17 resident within such district for purposes of electing trustees. For
18 purposes of voting for trustees, each condominium apartment under a
19 condominium property regime established prior to January 1, 1984, under
20 the Condominium Property Act or established after January 1, 1984, under
21 the Nebraska Condominium Act shall be deemed to be a platted lot and the
22 lessee or the owner of the lessee's interest, under any lease for an
23 initial term of not less than twenty years which requires the lessee to
24 pay taxes and special assessments levied on the leased property, shall be
25 deemed to be the owner of the property so leased and entitled to cast the
26 vote of such property. When ownership of a platted lot or unplatted land
27 is held jointly by two or more persons, whether as joint tenants, tenants
28 in common, limited partners, members of a limited liability company, or
29 any other form of joint ownership, only one person shall be entitled to
30 cast the vote of such property. The executor, administrator, guardian, or
31 trustee of any person or estate interested shall have the right to vote.

1 No corporation, estate, or irrevocable trust shall be deemed to be a
2 resident owner for purposes of voting for trustees. Should two or more
3 persons or officials claim the right to vote on the same tract, the
4 election board shall determine the party entitled to vote. Such board
5 shall select one of their number chairperson and one of their number
6 clerk. In case of a vacancy on such board, the remaining trustees shall
7 fill the vacancy on such board until the next election.

8 (d) For any sanitary and improvement district which has been in
9 existence for at least ten years, which has less than seventy property
10 owners entitled to vote for trustees, which has at least two resident
11 property owners, and in which less than ten percent of the area of the
12 district is owned for other than residential uses, the board of trustees
13 may amend its articles of association as provided in section 31-740.01 to
14 provide for a reduction in the number of trustees on the board from five
15 members to three members to be effective at the beginning of the term of
16 office for the board of trustees elected at the next election. At the
17 next election and at each election thereafter, two members of the board
18 of trustees shall be elected by the legal property owners resident within
19 such sanitary and improvement district and one member shall be elected by
20 all of the owners of real estate located in the district pursuant to this
21 section. Every resident property owner may cast one vote for a candidate
22 for each office of trustee to be filled by election of resident property
23 owners only. Such resident property owners may also each cast one vote
24 for each acre of unplatted land or fraction thereof and for each platted
25 lot owned within the district for a candidate for the office of trustee
26 to be filled by election of all property owners. For the office of
27 trustee to be filled by election of all property owners of the district,
28 every legal property owner not resident within such sanitary and
29 improvement district may cast one vote for each acre of unplatted land or
30 fraction thereof and one vote for each platted lot which such legal
31 property owner owns in the district.

1 (3) The election commissioner or county clerk shall hold any
2 election required by subsection (1) of this section by sealed mail ballot
3 by notifying the board of trustees on or before July 1 of a given year.
4 The election commissioner or county clerk shall, at least twenty days
5 prior to the election, mail a ballot and return envelope to each person
6 who is entitled to vote at the election and whose property ownership or
7 lease giving a right to vote is of record with the register of deeds as
8 of the date designated by the election commissioner or county clerk,
9 which date shall not be more than eighty days prior to the election. The
10 ballot and return envelope shall include: (a) The names and addresses of
11 the candidates; (b) room for write-in candidates; and (c) instructions on
12 how to vote and return the ballot. Such ballots shall be returned in the
13 return envelope to the election commissioner or county clerk no later
14 than 5 p.m. on the date set for the election. If the ballot is not
15 returned in the return envelope, such ballot shall not be counted. If
16 more than one ballot is included in the same return envelope, such
17 ballots shall not be counted and shall be reinserted into the return
18 envelope which shall be resealed and marked rejected.

19 **Sec. 86.** Section 31-741, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 31-741 All contracts for construction work to be done or materials
22 or equipment purchased, the expense of which is more than fifty ~~twenty~~
23 thousand dollars, shall be let to the lowest responsible bidder, upon
24 notice of not less than twenty days, of the terms and conditions of the
25 contract to be let. The board of trustees or the administrator shall have
26 power to reject any and all bids and readvertise for the letting of such
27 work or to negotiate any contract after an unsuccessful public letting.

28 **Sec. 87.** Section 32-112.02, Revised Statutes Cumulative Supplement,
29 2024, is amended to read:

30 32-112.02 Political subdivision shall include a county, city,
31 village, township, school district, public power district, community

1 improvement district, sanitary and improvement district, metropolitan
2 utilities district, rural or suburban fire protection district, natural
3 resources district, regional metropolitan transit authority, community
4 college, learning community coordinating council, educational service
5 unit, hospital district, reclamation district, library board, airport
6 authority, and any other unit of local government of the State of
7 Nebraska.

8 **Sec. 88.** Section 32-404, Revised Statutes Cumulative Supplement,
9 2024, is amended to read:

10 32-404 (1) When any political subdivision holds an election in
11 conjunction with the statewide primary or general election, the election
12 shall be held as provided in the Election Act. Any other election held by
13 a political subdivision shall be held as provided in the act unless
14 otherwise provided by the charter, code, or bylaws of the political
15 subdivision.

16 (2) No later than December 1 of each odd-numbered year, the
17 Secretary of State, election commissioner, or county clerk shall give
18 notice to each political subdivision of the filing deadlines for the
19 statewide primary election. No later than January 5 of each even-numbered
20 year, the governing board of each political subdivision which will hold
21 an election in conjunction with a statewide primary election shall
22 certify to the Secretary of State, the election commissioner, or the
23 county clerk the name of the subdivision, the number of officers to be
24 elected, the length of the terms of office, the vacancies to be filled by
25 election and length of remaining term, and the number of votes to be cast
26 by a registered voter for each office.

27 (3) No later than June 15 of each even-numbered year, the governing
28 board of each reclamation district, county weed district, village, county
29 under township organization, public power district receiving annual gross
30 revenue of less than forty million dollars, or educational service unit
31 which will hold an election in conjunction with a statewide general

1 election shall certify to the Secretary of State, the election
2 commissioner, or the county clerk the name of the subdivision, the number
3 of officers to be elected, the length of the terms of office, the
4 vacancies to be filled by election and length of remaining term, and the
5 number of votes to be cast by a registered voter for each office.

6 (4) The Secretary of State shall prescribe the forms to be used for
7 certification to him or her, and the election commissioner or county
8 clerk shall prescribe the forms to be used for certification to him or
9 her.

10 (5) Each city, village, township, school district, public power
11 district, community improvement district, sanitary and improvement
12 district, metropolitan utilities district, fire protection district,
13 natural resources district, regional metropolitan transit authority,
14 community college area, learning community coordinating council,
15 educational service unit, hospital district, reclamation district,
16 library board, and airport authority shall furnish to the Secretary of
17 State and election commissioner or county clerk any maps and additional
18 information which the Secretary of State and election commissioner or
19 county clerk may require in the proper performance of their duties in the
20 conduct of elections and certification of results.

21 **Sec. 89.** Section 32-608, Revised Statutes Cumulative Supplement,
22 2024, is amended to read:

23 32-608 (1) Except as provided in subsection (4) or (5) of this
24 section, a filing fee shall be paid by or on behalf of each candidate
25 prior to filing for office. For candidates who file in the office of the
26 Secretary of State as provided in subdivision (2)(a) of section 32-607,
27 the filing fee shall be paid to the Secretary of State who shall remit
28 the fee to the State Treasurer for credit to the Election Administration
29 Fund. For candidates for any city or village office, the filing fee shall
30 be paid to the city or village treasurer of the city or village in which
31 the candidate resides. For candidates who file in the office of the

1 election commissioner or county clerk, the filing fee shall be paid to
2 the election commissioner or county clerk in the county in which the
3 office is sought. The election commissioner or county clerk shall remit
4 the fee to the county treasurer. The fee shall be placed in the general
5 fund of the county, city, or village. No candidate filing forms shall be
6 filed until the proper payment or the proper receipt showing the payment
7 of such filing fee is presented to the filing officer. On the day of the
8 filing deadline, the city or village treasurer's office shall remain open
9 to receive filing fees until the hour of the filing deadline.

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

12 (a) For the office of United States Senator, state officers,
13 including members of the Legislature, Representatives in Congress, county
14 officers, and city or village officers, except the mayor or council
15 members of cities having a home rule charter, a sum equal to one percent
16 of the annual salary as of November 30 of the year preceding the election
17 for the office for which he or she files as a candidate;

18 (b) For directors of public power and irrigation districts in
19 districts receiving annual gross revenue of forty million dollars or
20 more, twenty-five dollars, and in districts receiving annual gross
21 revenue of less than forty million dollars, ten dollars;

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

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

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

29 (4) No filing fee shall be required for any candidate filing for an
30 office in which a per diem is paid rather than a salary or for which
31 there is a salary of less than five hundred dollars per year. No filing

1 fee shall be required for any candidate for membership on a school board,
2 on the board of an educational service unit, on the board of governors of
3 a community college area, on the board of directors of a natural
4 resources district, ~~or~~ on the board of trustees of a community
5 improvement district, or on the board of trustees of a sanitary and
6 improvement district.

7 (5) No filing fee shall be required of any candidate completing an
8 affidavit requesting to file for elective office in forma pauperis. A
9 pauper shall mean a person whose income and other resources for
10 maintenance are found under assistance standards to be insufficient for
11 meeting the cost of his or her requirements and whose reserve of cash or
12 other available resources does not exceed the maximum available resources
13 that an eligible individual may own. Available resources shall include
14 every type of property or interest in property that an individual owns
15 and may convert into cash except:

16 (a) Real property used as a home;

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

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

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

24 **Sec. 90.** Section 32-1203, Revised Statutes Cumulative Supplement,
25 2024, is amended to read:

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

1 library board, and airport authority shall pay for the costs of
2 nominating and electing its officers as provided in subsection (2), (3),
3 or (4) of this section. If a special issue is placed on the ballot at the
4 time of the statewide primary or general election by any political
5 subdivision, the political subdivision shall pay for the costs of the
6 election as provided in subsection (2), (3), or (4) of this section.

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

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

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

23 **Sec. 91.** Section 32-1302, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 32-1302 (1) Except for trustees of community improvement districts
26 and sanitary and improvement districts, any elected official of a
27 political subdivision and any elected member of the governing bodies of
28 cities, villages, counties, irrigation districts, natural resources
29 districts, public power districts, school districts, community college
30 areas, educational service units, hospital districts, and metropolitan
31 utilities districts may be removed from office by recall pursuant to

1 sections 32-1301 to 32-1309. A trustee of a community improvement
2 district may be removed from office by recall pursuant to sections 52 to
3 59 of this act. A trustee of a sanitary and improvement district may be
4 removed from office by recall pursuant to sections 31-786 to 31-793.

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

9 (3) The recall procedure and special election provisions of such
10 sections shall apply to members of the governing bodies listed in
11 subsection (1) of this section, other than community improvement
12 districts and sanitary and improvement districts, who are elected by
13 precinct, district, or subdistrict of the political subdivision. Only
14 registered voters of such member's precinct, district, or subdistrict may
15 sign a recall petition or vote at the recall election. The recall
16 election shall be held within the member's precinct, district, or
17 subdistrict. When an elected member is nominated by precinct, district,
18 or subdistrict in the primary election and elected at large in the
19 general election, the recall provisions shall apply to the registered
20 voters at the general election.

21 (4) The recall procedure and special election provisions shall apply
22 to the mayor and members of the city council of municipalities with a
23 home rule charter notwithstanding any contrary provisions of the home
24 rule charter.

25 **Sec. 92.** Section 71-1572, Revised Statutes Cumulative Supplement,
26 2024, is amended to read:

27 71-1572 Sections 71-1572 to 71-15,170 and section 94 of this act
28 shall be known and may be cited as the Nebraska Housing Agency Act.

29 **Sec. 93.** Section 71-15,169, Revised Statutes Cumulative Supplement,
30 2024, is amended to read:

31 71-15,169 (1) A housing agency for a city of the metropolitan class

1 shall establish a complaint process. Any resident of an agency property
2 may file a complaint by any of the following means:

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

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

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

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

11 (a) The name of the complainant;

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

14 (c) The nature of the complaint, including, but not limited to,
15 whether a maintenance issue, a discrimination claim, or a rent dispute;
16 and

17 (d) Relevant dates.

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

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

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

27 (6) The agency shall conduct a thorough investigation of the
28 complaint, including, but not limited to, interviewing relevant parties,
29 inspecting property and relevant documents, and reviewing applicable laws
30 and regulations.

31 (7) The housing authority shall resolve the complaint within

1 fourteen days after receipt of the complaint. If additional time is
2 required, the complainant shall be notified and provided with an updated
3 timeline. Throughout the investigation, the agency shall provide the
4 complainant with regular updates on the status of the complaint by email,
5 telephone, or regular first-class mail.

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

14 (9) A complainant who is dissatisfied with the resolution of his or
15 her complaint may bring an action against the agency under the terms of
16 his or her lease agreement.

17 (10) ~~(9)~~ The agency shall invite the complainant to provide feedback
18 on the complainant's experience with the complaint process, including
19 suggestions for improvement.

20 (11) ~~(10)~~ The agency shall monitor complaint trends, analyze root
21 causes, and report on complaint resolution statistics regularly to
22 identify areas for improvement. The agency shall submit a report to the
23 commissioners at every board meeting detailing (a) the number of
24 complaints filed, (b) the nature of such complaints, (c) the status of
25 completed and pending inspections, and (d) the number of unfilled
26 inspector positions within the housing agency. The report shall also be
27 made available to the public on the agency's website and at the agency's
28 office.

29 (12) ~~(11)~~ The agency shall inform persons applying for housing about
30 the complaint process during the resident application process and inform
31 residents about the complaint process (a) annually, (b) at the time a

1 complaint is filed, and (c) by posting on the agency's website and on any
2 public boards in any common housing spaces.

3 **Sec. 94.** A housing agency for a city of the metropolitan class
4 shall submit a report annually to the Urban Affairs Committee of the
5 Legislature. The report shall include:

6 (1) Information regarding any pest control management activities
7 undertaken during the year covered by the report;

8 (2) The number of eviction filings during the year covered by the
9 report;

10 (3) The number, nature, and resolution of complaints or grievances
11 filed during the year covered by the report;

12 (4) Current occupancy rates; and

13 (5) Any relevant updates from meetings of the agency's board of
14 commissioners.

15 **Sec. 95.** Section 77-202, Revised Statutes Supplement, 2025, is
16 amended to read:

17 77-202 (1) The following property shall be exempt from property
18 taxes:

19 (a) Property of the state and its governmental subdivisions to the
20 extent used or being developed for use by the state or governmental
21 subdivision for a public purpose. For purposes of this subdivision:

22 (i) Property of the state and its governmental subdivisions means

23 (A) property held in fee title by the state or a governmental subdivision
24 or (B) property beneficially owned by the state or a governmental

25 subdivision in that it is used for a public purpose and is being acquired
26 under a lease-purchase agreement, financing lease, or other instrument

27 which provides for transfer of legal title to the property to the state
28 or a governmental subdivision upon payment of all amounts due thereunder.

29 If the property to be beneficially owned by a governmental subdivision
30 has a total acquisition cost that exceeds the threshold amount or will be

31 used as the site of a public building with a total estimated construction

1 cost that exceeds the threshold amount, then such property shall qualify
2 for an exemption under this section only if the question of acquiring
3 such property or constructing such public building has been submitted at
4 a primary, general, or special election held within the governmental
5 subdivision and has been approved by the voters of the governmental
6 subdivision. For purposes of this subdivision, threshold amount means the
7 greater of fifty thousand dollars or six-tenths of one percent of the
8 total actual value of real and personal property of the governmental
9 subdivision that will beneficially own the property as of the end of the
10 governmental subdivision's prior fiscal year; and

11 (ii) Public purpose means use of the property (A) to provide public
12 services with or without cost to the recipient, including the general
13 operation of government, public education, public safety, transportation,
14 public works, civil and criminal justice, public health and welfare,
15 developments by a public housing authority, improvements by an inland
16 port authority, parks, culture, recreation, community development, and
17 cemetery purposes, or (B) to carry out the duties and responsibilities
18 conferred by law with or without consideration. Public purpose does not
19 include leasing of property to a private party unless the lease of the
20 property is at fair market value for a public purpose. Leases of property
21 by a public housing authority to low-income individuals as a place of
22 residence are for the authority's public purpose. Lease agreements of
23 real or personal property by an inland port authority, whether the inland
24 port authority is lessee or lessor, are for the authority's public
25 purpose;

26 (b) Unleased property of the state or its governmental subdivisions
27 which is not being used or developed for use for a public purpose but
28 upon which a payment in lieu of taxes is paid for public safety, rescue,
29 and emergency services and road or street construction or maintenance
30 services to all governmental units providing such services to the
31 property. Except as provided in Article VIII, section 11, of the

1 Constitution of Nebraska, the payment in lieu of taxes shall be based on
2 the proportionate share of the cost of providing public safety, rescue,
3 or emergency services and road or street construction or maintenance
4 services unless a general policy is adopted by the governing body of the
5 governmental subdivision providing such services which provides for a
6 different method of determining the amount of the payment in lieu of
7 taxes. The governing body may adopt a general policy by ordinance or
8 resolution for determining the amount of payment in lieu of taxes by
9 majority vote after a hearing on the ordinance or resolution. Such
10 ordinance or resolution shall nevertheless result in an equitable
11 contribution for the cost of providing such services to the exempt
12 property;

13 (c) Property owned by and used exclusively for agricultural and
14 horticultural societies;

15 (d)(i) Property owned by educational, religious, charitable, or
16 cemetery organizations, or any organization for the exclusive benefit of
17 any such educational, religious, charitable, or cemetery organization,
18 and used exclusively for educational, religious, charitable, or cemetery
19 purposes, when such property is not (A) owned or used for financial gain
20 or profit to either the owner or user, (B) used for the sale of alcoholic
21 liquors for more than twenty hours per week, or (C) owned or used by an
22 organization which discriminates in membership or employment based on
23 race, color, or national origin.

24 (ii) For purposes of subdivision (1)(d) of this section:

25 (A) Educational organization means (I) an institution operated
26 exclusively for the purpose of offering regular courses with systematic
27 instruction in academic, vocational, or technical subjects or assisting
28 students through services relating to the origination, processing, or
29 guarantying of federally reinsured student loans for higher education,
30 (II) a museum or historical society operated exclusively for the benefit
31 and education of the public, or (III) a nonprofit organization that owns

1 or operates a child care facility; and

2 (B) Charitable organization includes (I) an organization operated
3 exclusively for the purpose of the mental, social, or physical benefit of
4 the public or an indefinite number of persons and (II) a fraternal
5 benefit society organized and licensed under sections 44-1072 to
6 44-10,109.

7 (iii) The property tax exemption authorized in subdivision (1)(d)(i)
8 of this section shall apply to any for-profit skilled nursing facility,
9 for-profit nursing facility, or for-profit assisted-living facility that
10 provides housing for medicaid beneficiaries, except that the exemption
11 amount for such property shall be a percentage of the property taxes that
12 would otherwise be due. Such percentage shall be equal to the average
13 percentage of occupied beds in the facility provided to medicaid
14 beneficiaries over the most recent three-year period. This subdivision
15 shall not be construed to modify, limit, or reduce any property tax
16 exemption provided to a nonprofit skilled nursing facility, nonprofit
17 nursing facility, or nonprofit assisted-living facility pursuant to
18 subdivision (1)(d)(i) of this section. For purposes of this subdivision,
19 skilled nursing facility has the same meaning as in section 71-429,
20 nursing facility has the same meaning as in section 71-424, and assisted-
21 living facility has the same meaning as in section 71-5903.

22 (iv) The property tax exemption authorized in subdivision (1)(d)(i)
23 of this section shall apply to a building that (A) is owned by a
24 charitable organization, (B) is made available to students in attendance
25 at an educational institution, and (C) is recognized by such educational
26 institution as approved student housing, except that the exemption shall
27 only apply to the commons area of such building, including any common
28 rooms and cooking and eating facilities;

29 (e) Household goods and personal effects not owned or used for
30 financial gain or profit to either the owner or user; and

31 (f) A portion of the property owned by a taxpayer as provided in the

1 Recreational Trail Easement Property Tax Exemption Act.

2 (2) The increased value of land by reason of shade and ornamental
3 trees planted along the highway shall not be taken into account in the
4 valuation of land.

5 (3) Tangible personal property which is not depreciable tangible
6 personal property as defined in section 77-119 shall be exempt from
7 property tax.

8 (4) Motor vehicles, trailers, and semitrailers required to be
9 registered for operation on the highways of this state shall be exempt
10 from payment of property taxes.

11 (5) Business and agricultural inventory shall be exempt from the
12 personal property tax. For purposes of this subsection, business
13 inventory includes personal property owned for purposes of leasing or
14 renting such property to others for financial gain only if the personal
15 property is of a type which in the ordinary course of business is leased
16 or rented thirty days or less and may be returned at the option of the
17 lessee or renter at any time and the personal property is of a type which
18 would be considered household goods or personal effects if owned by an
19 individual. All other personal property owned for purposes of leasing or
20 renting such property to others for financial gain shall not be
21 considered business inventory.

22 (6) Any personal property exempt pursuant to subsection (2) of
23 section 77-4105 or section 77-5209.02 shall be exempt from the personal
24 property tax.

25 (7) Livestock shall be exempt from the personal property tax.

26 (8) Any personal property exempt pursuant to the Nebraska Advantage
27 Act or the Imagine Nebraska Act shall be exempt from the personal
28 property tax.

29 (9) Any depreciable tangible personal property used directly in the
30 generation of electricity using wind as the fuel source shall be exempt
31 from the property tax levied on depreciable tangible personal property.

1 Any depreciable tangible personal property used directly in the
2 generation of electricity using solar, biomass, or landfill gas as the
3 fuel source shall be exempt from the property tax levied on depreciable
4 tangible personal property if such depreciable tangible personal property
5 was installed on or after January 1, 2016, and has a nameplate capacity
6 of one hundred kilowatts or more. Depreciable tangible personal property
7 used directly in the generation of electricity using wind, solar,
8 biomass, or landfill gas as the fuel source includes, but is not limited
9 to, wind turbines, rotors and blades, towers, solar panels, trackers,
10 generating equipment, transmission components, substations, supporting
11 structures or racks, inverters, and other system components such as
12 wiring, control systems, switchgears, and generator step-up transformers.

13 (10) Any tangible personal property that is acquired by a person
14 operating a data center located in this state, that is assembled,
15 engineered, processed, fabricated, manufactured into, attached to, or
16 incorporated into other tangible personal property, both in component
17 form or that of an assembled product, for the purpose of subsequent use
18 at a physical location outside this state by the person operating a data
19 center shall be exempt from the personal property tax. Such exemption
20 extends to keeping, retaining, or exercising any right or power over
21 tangible personal property in this state for the purpose of subsequently
22 transporting it outside this state for use thereafter outside this state.
23 For purposes of this subsection, data center means computers, supporting
24 equipment, and other organized assembly of hardware or software that are
25 designed to centralize the storage, management, or dissemination of data
26 and information, environmentally controlled structures or facilities or
27 interrelated structures or facilities that provide the infrastructure for
28 housing the equipment, such as raised flooring, electricity supply,
29 communication and data lines, Internet access, cooling, security, and
30 fire suppression, and any building housing the foregoing.

31 (11) For tax years prior to tax year 2020, each person who owns

1 property required to be reported to the county assessor under section
2 77-1201 shall be allowed an exemption amount as provided in the Personal
3 Property Tax Relief Act. For tax years prior to tax year 2020, each
4 person who owns property required to be valued by the state as provided
5 in section 77-601, 77-682, 77-801, or 77-1248 shall be allowed a
6 compensating exemption factor as provided in the Personal Property Tax
7 Relief Act.

8 (12)(a) Broadband equipment shall be exempt from the personal
9 property tax if such broadband equipment is:

10 (i) Deployed in an area funded in whole or in part by funds from the
11 Broadband Equity, Access, and Deployment Program, authorized by the
12 federal Infrastructure Investment and Jobs Act, Public Law 117-58; or

13 (ii) Deployed in a qualified census tract located within the
14 corporate limits of a city of the metropolitan class and being utilized
15 to provide end-users with access to the Internet at speeds of at least
16 one hundred megabits per second for downloading and at least one hundred
17 megabits per second for uploading.

18 (b) An owner of broadband equipment seeking an exemption under this
19 section shall apply for an exemption to the county assessor on or before
20 December 31 of the year preceding the year for which the exemption is to
21 begin. If the broadband equipment meets the criteria described in this
22 subsection, the county assessor shall approve the application within
23 thirty calendar days after receiving the application. The application
24 shall be on forms prescribed by the Tax Commissioner.

25 (c) For purposes of this subsection:

26 (i) Broadband communications service means telecommunications
27 service as defined in section 86-121, video programming as defined in 47
28 U.S.C. 522, as such section existed on January 1, 2024, or Internet
29 access as defined in section 1104 of the federal Internet Tax Freedom
30 Act, Public Law 105-277;

31 (ii) Broadband equipment means machinery or equipment used to

1 provide broadband communications service and includes, but is not limited
2 to, wires, cables, fiber, conduits, antennas, poles, switches, routers,
3 amplifiers, rectifiers, repeaters, receivers, multiplexers, duplexers,
4 transmitters, circuit cards, insulating and protective materials and
5 cases, power equipment, backup power equipment, diagnostic equipment,
6 storage devices, modems, and other general central office or headend
7 equipment, such as channel cards, frames, and cabinets, or equipment used
8 in successor technologies, including items used to monitor, test,
9 maintain, enable, or facilitate qualifying equipment, machinery,
10 software, ancillary components, appurtenances, accessories, or other
11 infrastructure that is used in whole or in part to provide broadband
12 communications service. Machinery or equipment used to produce broadband
13 communications service does not include personal consumer electronics,
14 including, but not limited to, smartphones, computers, and tablets; and

15 (iii) Qualified census tract means a qualified census tract as
16 defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on
17 January 1, 2024.

18 **Sec. 96.** Section 77-1701, Revised Statutes Supplement, 2025, is
19 amended to read:

20 77-1701 (1) The county treasurer shall be ex officio county
21 collector of all taxes levied within the county. The county board shall
22 designate a county official to mail or otherwise deliver a statement of
23 the amount of taxes due and a notice that special assessments are due, to
24 the last-known address of the person, firm, association, or corporation
25 against whom such taxes or special assessments are assessed or to the
26 lending institution or other party responsible for paying such taxes or
27 special assessments. Such statement shall clearly indicate, for each
28 political subdivision, the amount of property taxes due to fund any and
29 all public safety services as defined in section 13-320, county
30 attorneys, and public defenders, regardless of whether such amount is
31 taken as an exception to the political subdivision's property tax request

1 authority under section 13-3404. Such statement shall also clearly
2 indicate, for each political subdivision, the levy rate and the amount of
3 taxes due as the result of principal or interest payments on bonds issued
4 by the political subdivision and shall show such rate and amount separate
5 from any other levy. When taxes on real property are delinquent for a
6 prior year, the county treasurer shall indicate this information on the
7 current year tax statement in bold letters. The information provided
8 shall inform the taxpayer that delinquent taxes and interest are due for
9 the prior year or years and shall indicate the specific year or years for
10 which such taxes and interest remain unpaid. The language shall read
11 "Back Taxes and Interest Due For", followed by numbers to indicate each
12 year for which back taxes and interest are due and a statement indicating
13 that failure to pay the back taxes and interest may result in the loss of
14 the real property. Failure to receive such statement or notice shall not
15 relieve the taxpayer from any liability to pay such taxes or special
16 assessments and any interest or penalties accrued thereon. In any county
17 in which a city of the metropolitan class is located, all statements of
18 taxes shall also include notice that special assessments for cutting
19 weeds, removing litter, and demolishing buildings are due.

20 (2) Notice that special assessments are due shall not be required
21 for special assessments levied by community improvement districts
22 organized under the Community Improvement District Act or sanitary and
23 improvement districts organized under Chapter 31, article 7, except that
24 such notice may be provided by the county at the discretion of the county
25 board or by the community improvement district or the sanitary and
26 improvement district with the approval of the county board.

27 (3) A statement of the amount of taxes due and a notice that special
28 assessments are due shall not be required to be mailed or otherwise
29 delivered pursuant to subsection (1) of this section if the total amount
30 of the taxes and special assessments due is less than two dollars.
31 Failure to receive the statement or notice shall not relieve the taxpayer

1 from any liability to pay the taxes or special assessments but shall
2 relieve the taxpayer from any liability for interest or penalties. Taxes
3 and special assessments of less than two dollars shall be added to the
4 amount of taxes and special assessments due in subsequent years and shall
5 not be considered delinquent until the total amount is two dollars or
6 more.

7 **Sec. 97.** Section 77-1838, Revised Statutes Supplement, 2025, is
8 amended to read:

9 77-1838 (1) The deed made by the county treasurer shall be under the
10 official seal of office and acknowledged by the county treasurer before
11 some officer authorized to take the acknowledgment of deeds. When so
12 executed and acknowledged, it shall be recorded in the same manner as
13 other conveyances of real estate. When recorded it shall vest in the
14 grantee and his or her heirs and assigns the title of the property
15 described in the deed, 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.

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

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

30 (b) If the property has not been sold since recording of the deed,
31 the surplus shall be equal to the assessed value of such property as

1 reflected in the records of the county assessor at the time of the
2 application for the tax deed, minus (i) the amount that would have been
3 needed to redeem such property, (ii) the amount needed to pay all
4 encumbrances on such property, and (iii) an administrative fee of five
5 hundred dollars or reasonable attorney's fees in the event of judicial
6 foreclosure, which may be retained by the grantee to offset the costs
7 incurred in obtaining the deed.

8 **Sec. 98.** Section 77-1842, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 77-1842 Deeds made by the county treasurer shall be presumptive
11 evidence in all courts of this state, in all controversies and suits in
12 relation to the rights of the purchaser and his or her heirs or assigns
13 to the real property thereby conveyed, of the following facts: (1) That
14 the real property conveyed was subject to taxation for the year or years
15 stated in the deed; (2) that the taxes were not paid at any time before
16 the sale; (3) that the real property conveyed had not been redeemed from
17 the sale at the date of the deed; (4) that the property had been listed
18 and assessed; (5) that the taxes were levied according to law; (6) that
19 the property was sold for taxes as stated in the deed; (7) that the
20 notice had been served or due publication made as required in sections
21 77-1831 to 77-1835 before the time of redemption had expired; (8) that
22 the manner in which the listing, assessment, levy, and sale were
23 conducted was in all respects as the law directed; (9) that the grantee
24 named in the deed was the purchaser or his or her assignee; and (10) that
25 all the prerequisites of the law were complied with by all the officers
26 who had or whose duty it was to have had any part or action in any
27 transaction relating to or affecting the title conveyed or purporting to
28 be conveyed by the deed, from the listing and valuation of the property
29 up to the execution of the deed, both inclusive, and that all things
30 whatsoever required by law to make a good and valid sale and to vest the
31 title in the purchaser, subject to any lien on real estate for special

1 assessments levied by a community improvement district or a sanitary and
2 improvement district which special assessments have not been previously
3 offered for sale by the county treasurer, were done.

4 **Sec. 99.** Section 77-1858, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 77-1858 Wherever power is now given by the revenue laws of this
7 state to the county treasurer of any county in this state to sell real
8 estate, on which the taxes have not been paid as provided by law, it
9 shall include the power to sell the real estate for (1) all the taxes and
10 special assessments, except special assessments levied by a community
11 improvement district organized under the Community Improvement District
12 Act or a sanitary and improvement district organized under sections
13 31-727 to 31-762, levied or hereafter levied by any county, municipality,
14 drainage district, or other political subdivision of the state and (2)
15 all special assessments levied or hereafter levied by any community
16 improvement district or sanitary and improvement district if such sale is
17 requested by such community improvement district or sanitary and
18 improvement district which levied the special assessment. All provisions
19 of the revenue law now in force with reference to the collection of taxes
20 shall apply with equal force to all taxes and special assessments levied
21 by such county, municipality, drainage district, or other political
22 subdivision of the state.

23 **Sec. 100.** Section 77-1901, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 77-1901 Counties shall have a lien upon real estate within their
26 boundaries for all taxes due thereon to the state, any governmental
27 subdivision of the state, any municipal corporation, and any drainage or
28 irrigation district. After any parcel of real estate has been offered for
29 sale and not sold for want of bidders, the county board shall make and
30 enter an order directing the county attorney to foreclose the lien for
31 all taxes then delinquent, excluding any lien on real estate for special

1 assessments levied by any community improvement district or sanitary and
2 improvement district which special assessments have not been previously
3 offered for sale by the county treasurer, in the same manner and with
4 like effect as in the foreclosure of real estate mortgages, except as
5 otherwise specifically provided by sections 77-1903 to 77-1917.

6 **Sec. 101.** Section 77-1902, Revised Statutes Supplement, 2025, is
7 amended to read:

8 77-1902 (1) When land has been sold for delinquent taxes and a tax
9 sale certificate or tax deed has been issued, the holder of such tax sale
10 certificate or tax deed may, instead of demanding a deed or, if a deed
11 has been issued, by surrendering the same in court, proceed in the
12 district court of the county in which the land is situated to foreclose
13 the lien for taxes represented by the tax sale certificate or tax deed
14 and all subsequent tax liens thereon, excluding any lien on real estate
15 for special assessments levied by any community improvement district or
16 sanitary and improvement district which special assessments have not been
17 previously offered for sale by the county treasurer, in the same manner
18 and with like effect as in the foreclosure of a real estate mortgage,
19 except as otherwise specifically provided by sections 77-1903 to 77-1917.

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

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

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

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

31 (i) The holder of the tax sale certificate or tax deed is a land

1 bank as defined in section 18-3403; and

2 (ii) Such property substantially meets more than two of the
3 following criteria:

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

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

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

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

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

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

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

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

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

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

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

29 (b) The holder of the tax sale certificate or tax deed shall
30 determine whether or not real estate is vacant and abandoned two years
31 after the date of the sale of such real estate for taxes or special

1 assessments.

2 (c) If the real estate is registered as vacant and abandoned
3 pursuant to a vacant property registration ordinance adopted by a
4 municipality, it shall be conclusive proof that such real estate is
5 vacant and abandoned. If the real estate is not registered as vacant and
6 abandoned pursuant to such an ordinance, the holder of the tax sale
7 certificate or tax deed shall not be obligated to proceed under
8 subdivision (2)(a) of this section, but may instead choose to proceed
9 under subdivision (2)(b) of this section, and no deed subsequently issued
10 to such holder shall be deemed invalid due to noncompliance with
11 subdivision (2)(a) of this section. No action taken by a holder of a tax
12 sale certificate or tax deed under subdivision (2)(a) of this section
13 shall prohibit a subsequent action under subdivision (2)(b) of this
14 section on the same real estate should it be determined that such real
15 estate is not vacant and abandoned.

16 (d) If the holder of the tax sale certificate or tax deed determines
17 real estate to be vacant and abandoned pursuant to this subsection, the
18 holder shall submit an affidavit to the county treasurer affirming that
19 the real estate is vacant and abandoned.

20 **Sec. 102.** Section 77-1909, Revised Statutes Supplement, 2025, is
21 amended to read:

22 77-1909 In its decree, the court shall ascertain and determine the
23 amount of taxes, special assessments, and other liens, interest, and
24 costs chargeable to each particular item of real property, excluding any
25 lien on real estate for special assessments levied by any community
26 improvement district or sanitary and improvement district which special
27 assessments have not been previously offered for sale by the county
28 treasurer, and award to the plaintiff an attorney's fee, unless waived by
29 the plaintiff, in an amount equal to ten percent of the amount due plus,
30 for good cause shown, reasonable attorney's fees in excess of the ten
31 percent, which shall be taxed as part of the costs in the action and

1 apportioned equitably as other costs.

2 **Sec. 103.** Section 77-1914, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-1914 Upon confirmation of the sale, the clerk of the district
5 court shall certify to the county treasurer the year or years of the
6 taxes for which the real property was sold. The county treasurer shall
7 thereupon cancel the taxes for such years, and the proceedings shall
8 operate as a release of such real property from all liens for the taxes
9 included on the real property. The delivery of the sheriff's deed shall
10 pass title to the purchaser free and clear of all liens and interests of
11 all persons who were parties to the proceedings, who received service of
12 process, and over whom the court had jurisdiction, excluding any lien on
13 real estate for special assessments levied by any community improvement
14 district or sanitary and improvement district which special assessments
15 have not been previously offered for sale by the county treasurer.

16 **Sec. 104.** Section 77-1915, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-1915 From the proceeds of the sale of any real property, the
19 costs charged thereto shall first be paid. When the plaintiff is a
20 private person, firm, or corporation, the balance thereof, or so much
21 thereof as is necessary, shall be paid to the plaintiff. When the
22 plaintiff is a governmental subdivision other than a land bank, or is a
23 municipal corporation or drainage or irrigation district, the balance
24 thereof, or so much thereof as is necessary, shall be paid to the county
25 treasurer for distribution to the various governmental subdivisions,
26 municipal corporations, or drainage or irrigation districts entitled
27 thereto in discharge of all claims, excluding any lien on real estate for
28 special assessments levied by any community improvement district or
29 sanitary and improvement district which special assessments have not been
30 previously offered for sale by the county treasurer. When the plaintiff
31 is a land bank, the balance thereof, or so much thereof as is necessary,

1 shall be paid to the land bank.

2 **Sec. 105.** Section 77-1916, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-1916 If a surplus remains after satisfying all costs and taxes
5 against any particular item of real property, the excess shall be applied
6 in the manner provided by law for the disposition of the surplus in the
7 foreclosure of mortgages on real property. If the proceeds are
8 insufficient to pay the costs and all the taxes, when the plaintiff is a
9 governmental subdivision other than a land bank or is a municipal
10 corporation or a drainage or irrigation district, the amount remaining
11 shall be prorated among the governmental subdivisions, municipal
12 corporations, and drainage or irrigation districts in the proportion of
13 their interest in the decree of foreclosure. The proceeds of the sale of
14 one item of real property shall not be applied to the discharge of a lien
15 for taxes against another item of real property except when so directed
16 by the decree for foreclosure under the circumstances set forth in
17 section 77-1910. The lien on real estate for special assessments levied
18 by any community improvement district or sanitary and improvement
19 district shall not be entitled to any surplus unless such special
20 assessments have been previously offered for sale by the county
21 treasurer.

22 **Sec. 106.** Section 77-1917.01, Reissue Revised Statutes of Nebraska,
23 is amended to read:

24 77-1917.01 All cities, villages, community improvement districts,
25 and sanitary and improvement districts in Nebraska shall have a lien upon
26 real estate within their boundaries for all special assessments due
27 thereon to the municipal corporation or district, which lien shall be
28 inferior only to general taxes levied by the state and its political
29 subdivisions. When such special assessments have become delinquent,
30 without the real property against which they are assessed being first
31 offered at tax sale by the tax sale certificate method or otherwise, the

1 municipal corporation or district involved may itself as party plaintiff
2 proceed in the district court of the county in which the real estate is
3 situated to foreclose, in its own name, the lien for such delinquent
4 special assessments in the same manner and with like effect as in the
5 foreclosure of a real estate mortgage, except as otherwise specifically
6 provided by sections 77-1903 to 77-1917, which shall govern when
7 applicable. Final confirmation of sale in such foreclosure proceeding and
8 issuance of deed to the plaintiff, or its assignee, cannot be had until
9 two years have expired from the date of the sale held by the sheriff,
10 and, after expiration of such two-year period, personal notice has been
11 served on occupants of the real property. The remedy granted in this
12 section to cities, villages, community improvement districts, and
13 sanitary and improvement districts for the collection of delinquent
14 special assessments shall be cumulative and in addition to other existing
15 methods.

16 **Sec. 107.** Section 77-3442, Revised Statutes Supplement, 2025, is
17 amended to read:

18 77-3442 (1) Property tax levies for the support of local governments
19 for fiscal years beginning on or after July 1, 1998, shall be limited to
20 the amounts set forth in this section except as provided in section
21 77-3444.

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

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

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

9 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
10 of this section are (i) amounts levied to pay for current and future sums
11 agreed to be paid by a school district to certificated employees in
12 exchange for a voluntary termination of employment occurring prior to
13 September 1, 2017, (ii) amounts levied by a school district otherwise at
14 the maximum levy pursuant to subdivision (2)(a) of this section to pay
15 for current and future qualified voluntary termination incentives for
16 certificated teachers pursuant to subsection (3) of section 79-8,142 that
17 are not otherwise included in an exclusion pursuant to subdivision (2)(d)
18 of this section, (iii) amounts levied by a school district otherwise at
19 the maximum levy pursuant to subdivision (2)(a) of this section to pay
20 for seventy-five percent of the current and future sums agreed to be paid
21 to certificated employees in exchange for a voluntary termination of
22 employment occurring between September 1, 2017, and August 31, 2018, as a
23 result of a collective-bargaining agreement in force and effect on
24 September 1, 2017, that are not otherwise included in an exclusion
25 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a
26 school district otherwise at the maximum levy pursuant to subdivision (2)
27 (a) of this section to pay for fifty percent of the current and future
28 sums agreed to be paid to certificated employees in exchange for a
29 voluntary termination of employment occurring between September 1, 2018,
30 and August 31, 2019, as a result of a collective-bargaining agreement in
31 force and effect on September 1, 2017, that are not otherwise included in

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

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

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

31 (g) For each fiscal year, learning communities may levy a maximum

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

8 (3) For each fiscal year through fiscal year 2023-24, community
9 college areas may levy the levies provided in subdivisions (2)(a) through
10 (c) of section 85-1517, in accordance with the provisions of such
11 subdivisions. For fiscal year 2024-25 and each fiscal year thereafter,
12 community college areas may levy the levies provided in subdivisions (2)
13 (a) and (b) of section 85-1517, in accordance with the provisions of such
14 subdivisions. A community college area may exceed the levy provided in
15 subdivision (2)(a) of section 85-1517 by the amount necessary to generate
16 sufficient revenue as described in section 85-1543 or 85-2238. A
17 community college area may exceed the levy provided in subdivision (2)(b)
18 of section 85-1517 by the amount necessary to retire general obligation
19 bonds assumed by the community college area or issued pursuant to section
20 85-1515 according to the terms of such bonds or for any obligation
21 pursuant to section 85-1535 entered into prior to January 1, 1997.

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

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

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

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

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

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

1 80-202.

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

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

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

25 (8) Counties may levy or authorize a maximum levy of fifty cents per
26 one hundred dollars of taxable valuation of property subject to the levy,
27 except that five cents per one hundred dollars of taxable valuation of
28 property subject to the levy may only be levied to provide financing for
29 the county's share of revenue required under an agreement or agreements
30 executed pursuant to the Interlocal Cooperation Act or the Joint Public
31 Agency Act. The maximum levy shall include amounts levied to pay for sums

1 to support a library pursuant to section 51-201 or museum pursuant to
2 section 51-501. The county may allocate up to fifteen cents of its
3 authority to other political subdivisions subject to allocation of
4 property tax authority under subsection (1) of section 77-3443 and not
5 specifically covered in this section to levy taxes as authorized by law
6 which do not collectively exceed fifteen cents per one hundred dollars of
7 taxable valuation on any parcel or item of taxable property. The county
8 may allocate to one or more other political subdivisions subject to
9 allocation of property tax authority by the county under subsection (1)
10 of section 77-3443 some or all of the county's five cents per one hundred
11 dollars of valuation authorized for support of an agreement or agreements
12 to be levied by the political subdivision for the purpose of supporting
13 that political subdivision's share of revenue required under an agreement
14 or agreements executed pursuant to the Interlocal Cooperation Act or the
15 Joint Public Agency Act. If an allocation by a county would cause another
16 county to exceed its levy authority under this section, the second county
17 may exceed the levy authority in order to levy the amount allocated.

18 (9) Municipal counties may levy or authorize a maximum levy of one
19 dollar per one hundred dollars of taxable valuation of property subject
20 to the levy. The municipal county may allocate levy authority to any
21 political subdivision or entity subject to allocation under section
22 77-3443.

23 (10) Beginning July 1, 2016, rural and suburban fire protection
24 districts may levy a maximum levy of ten and one-half cents per one
25 hundred dollars of taxable valuation of property subject to the levy if
26 (a) such district is located in a county that had a levy pursuant to
27 subsection (8) of this section in the previous year of at least forty
28 cents per one hundred dollars of taxable valuation of property subject to
29 the levy or (b) such district had a levy request pursuant to section
30 77-3443 in any of the three previous years and the county board of the
31 county in which the greatest portion of the valuation of such district is

1 located did not authorize any levy authority to such district in such
2 year.

3 (11) A regional metropolitan transit authority may levy a maximum
4 levy of ten cents per one hundred dollars of taxable valuation of
5 property subject to the levy for each fiscal year that commences on the
6 January 1 that follows the effective date of the conversion of the
7 transit authority established under the Transit Authority Law into the
8 regional metropolitan transit authority.

9 (12) Property tax levies (a) for judgments, except judgments or
10 orders from the Commission of Industrial Relations, obtained against a
11 political subdivision which require or obligate a political subdivision
12 to pay such judgment, to the extent such judgment is not paid by
13 liability insurance coverage of a political subdivision, (b) for
14 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
15 for bonds as defined in section 10-134 approved according to law and
16 secured by a levy on property except as provided in section 44-4317 for
17 bonded indebtedness issued by educational service units and school
18 districts, (d) for payments by a public airport to retire interest-free
19 loans from the Division of Aeronautics of the Department of
20 Transportation in lieu of bonded indebtedness at a lower cost to the
21 public airport, and (e) to pay for cancer benefits provided on or after
22 January 1, 2022, pursuant to the Firefighter Cancer Benefits Act are not
23 included in the levy limits established by this section.

24 (13) The limitations on tax levies provided in this section are to
25 include all other general or special levies provided by law.
26 Notwithstanding other provisions of law, the only exceptions to the
27 limits in this section are those provided by or authorized by sections
28 77-3442 to 77-3444.

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

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

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

17 **Sec. 108.** Section 77-3443, Revised Statutes Cumulative Supplement,
18 2024, is amended to read:

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

1 governments for which allocations are made by the municipality, county,
2 or municipal county, except that such limitation shall not apply to
3 property tax levies for preexisting lease-purchase contracts approved
4 prior to July 1, 1998, for bonded indebtedness approved according to law
5 and secured by a levy on property, and for payments by a public airport
6 to retire interest-free loans from the Division of Aeronautics of the
7 Department of Transportation in lieu of bonded indebtedness at a lower
8 cost to the public airport. The county board or council shall review and
9 approve or disapprove the levy request of all political subdivisions
10 subject to this subsection. The county board or council may approve all
11 or a portion of the levy request and may approve a levy request that
12 would allow the requesting political subdivision to levy a tax at a levy
13 greater than that permitted by law. Unless a transit authority elects to
14 convert to a regional metropolitan transit authority in accordance with
15 the Regional Metropolitan Transit Authority Act, and for each fiscal year
16 of such a transit authority until the first fiscal year commencing after
17 the effective date of such conversion, the county board of a county or
18 the council of a municipal county which contains a transit authority
19 established pursuant to the Transit Authority Law shall allocate no less
20 than three cents per one hundred dollars of taxable property within the
21 city or municipal county subject to the levy to the transit authority if
22 requested by such authority. For any political subdivision subject to
23 this subsection that receives taxes from more than one county or
24 municipal county, the levy shall be allocated only by the county or
25 municipal county in which the greatest portion of the valuation is
26 located. The county board of equalization shall certify all levies by
27 October 20 to insure that the taxes levied by political subdivisions
28 subject to this subsection do not exceed the allowable limit for any
29 parcel or item of taxable property. The levy allocated by the county or
30 municipal county may be exceeded as provided in section 77-3444.

31 (2) All city airport authorities established under the Cities

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

1 shall review and approve or disapprove the levy request of the political
2 subdivisions subject to this subsection. The city council, village board,
3 or council may approve all or a portion of the levy request and may
4 approve a levy request that would allow a levy greater than that
5 permitted by law. The levy allocated by the municipality or municipal
6 county may be exceeded as provided in section 77-3444.

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

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

28 **Sec. 109.** Sections 109 to 116 of this act shall be known and may be
29 cited as the New Taxpayer Recruitment Grant Act.

30 **Sec. 110.** For purposes of the New Taxpayer Recruitment Grant Act:

31 (1) Department means the Department of Economic Development;

1 (2) Household means one or more individuals who dwell together; and
2 (3) Household goal means the total number of households that a new
3 taxpayer recruitment program seeks to successfully incentivize to
4 relocate or commit to relocate from a location that is outside of this
5 state to a municipality in this state.

6 **Sec. 111.** (1)(a) Beginning on July 15 of each fiscal year any (i)
7 city or Indian tribe or band in the State of Nebraska or (ii) nonprofit
8 organization, the primary purpose of which includes economic development,
9 workforce and talent development, or community development, may apply to
10 the department for a grant under the New Taxpayer Recruitment Grant Act
11 for such fiscal year.

12 (b) Such application shall be on a form prescribed by the department
13 that includes:

14 (i) The name of the grant applicant;

15 (ii) The name, title, email address, mailing address, and telephone
16 number for an individual who will serve as the point of contact for the
17 grant applicant for the department; and

18 (iii) A new taxpayer recruitment program plan that includes the
19 following:

20 (A) The total estimated cost of the program and the itemized
21 estimated costs associated with the program's design, administration,
22 marketing, and relocation incentive initiatives;

23 (B) A description of the program implementation roles undertaken and
24 related costs of the grant applicant or other entities;

25 (C) The program's household goal and the estimated incentive amount
26 per household;

27 (D) The program's estimated state and local tax impact; and

28 (E) The program's estimated total economic impact.

29 (2) Each fiscal year, the department shall award grants under the
30 New Taxpayer Recruitment Grant Act to grant applicants with approved
31 applications for the purpose of the administration of new taxpayer

1 recruitment programs of such grant applicants and the costs associated
2 with incentivizing households to relocate from locations that are outside
3 of this state to municipalities in this state.

4 (3) To qualify for a grant under the New Taxpayer Recruitment Grant
5 Act, a grant applicant shall:

6 (a) Demonstrate such grant applicant's ability to contribute funding
7 equal to at least twenty percent of the total cost of the new taxpayer
8 recruitment program and a description of anticipated funding sources. The
9 grant applicant's contribution may include local funds or in-kind
10 donations pursuant to section 114 of this act; and

11 (b) If the grant applicant is a previous recipient of a grant under
12 the New Taxpayer Recruitment Grant Act, submit evidence that the grant
13 applicant has met the household goal stated in the new taxpayer
14 recruitment program plan that was submitted with the application for such
15 previous grant.

16 (4) The department shall consider applications in the order in which
17 they are received. If a grant applicant qualifies for a grant, the
18 department shall approve the application and notify the grant applicant
19 of the approval within thirty days of receiving the application.

20 (5) The department may approve applications and award grants under
21 the New Taxpayer Recruitment Grant Act subject to available funding in
22 the New Taxpayer Recruitment Grant Cash Fund.

23 (6) Any grant applicant shall not receive more than two hundred
24 fifty thousand dollars in grants under the New Taxpayer Recruitment Grant
25 Act in a fiscal year.

26 (7) The department shall disburse fifty percent of a grant to the
27 grant applicant when the grant is initially awarded and fifty percent of
28 the grant upon the grant applicant reporting to the department that it
29 has successfully met half of the household goal stated in the new
30 taxpayer recruitment program plan. If the grant applicant fails to meet
31 half of such goal, the department shall not disburse the remaining amount

1 of the grant and such remaining amount shall be reawarded to other grant
2 applicants with approved applications.

3 **Sec. 112.** To be eligible for incentives from new taxpayer
4 recruitment programs funded by grants under the New Taxpayer Recruitment
5 Grant Act, a household shall submit an application to a grant recipient
6 for the new taxpayer recruitment program of such grant recipient that
7 includes:

8 (1) The name, date of birth, email address, telephone number, and
9 last four digits of the social security number for an individual who will
10 serve as the primary point of contact for the household;

11 (2) The name, date of birth, and relationship to the primary point
12 of contact for all members of the household;

13 (3) The mailing address for the primary place of residence for the
14 household. Such address shall be outside of the State of Nebraska at the
15 time the household applies for new taxpayer recruitment program
16 incentives;

17 (4) Records deemed sufficient by the grant recipient to demonstrate
18 proof of employment and income for each employed individual in the
19 household and a brief job description for each employed individual. Such
20 records shall demonstrate a household annual income of at least fifty-
21 five thousand dollars to be eligible for new taxpayer recruitment program
22 incentives; and

23 (5) Whether any members of the household are veterans.

24 **Sec. 113.** (1) Each grant recipient shall provide semiannual reports
25 to the department with the following data regarding new taxpayer
26 recruitment program outcomes:

27 (a) Total number of applications received from households;

28 (b) Total number of approved applications for incentives;

29 (c) The incentive provided to each approved household;

30 (d) The annual income and occupation of each individual from an
31 approved household; and

1 (e) The estimated economic impact of the new taxpayer recruitment
2 program, including state and local tax revenue and new consumer spending.

3 (2) Each household that receives an incentive from a new taxpayer
4 recruitment program funded by a grant under the New Taxpayer Recruitment
5 Grant Act shall provide the grant recipient that provided an incentive to
6 such household with the information that is reasonably necessary to
7 complete the semiannual reports required under this section. Grant
8 recipients may rely in good faith on such household information for
9 purposes of completing semiannual reports.

10 **Sec. 114.** Unless otherwise prohibited by law, any grant applicant
11 may utilize any resource available to it for the local funds or in-kind
12 donations required in subdivision (3) of section 111 of this act,
13 including, but not limited to:

14 (1) Any resource collected and disbursed pursuant to the Local
15 Option Municipal Economic Development Act;

16 (2) Any federal funding;

17 (3) Any donation or contribution of private funding; and

18 (4) The estimated market value of any donated good or service from
19 any public or private source.

20 **Sec. 115.** The New Taxpayer Recruitment Grant Cash Fund is created.
21 The department shall administer the fund and use the fund to finance
22 grants for new taxpayer recruitment programs under the New Taxpayer
23 Recruitment Grant Act. The fund shall consist of money transferred by the
24 Legislature, and gifts, grants, and bequests from any source, including
25 federal, public, and private sources. Any money in the fund available for
26 investment shall be invested by the state investment officer pursuant to
27 the Nebraska Capital Expansion Act and the Nebraska State Funds
28 Investment Act.

29 **Sec. 116.** The department may adopt and promulgate rules and
30 regulations to carry out the New Taxpayer Recruitment Grant Act.

31 **Sec. 117.** Sections 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84,

1 85, 86, 92, 93, 94, 95, 109, 110, 111, 112, 113, 114, 115, 116, 119 of
2 this act become operative three calendar months after the adjournment of
3 this legislative session. The other sections of this act become operative
4 on their effective date.

5 **Sec. 118.** Original sections 10-127, 10-131, 10-133, 10-134, 10-615,
6 10-1103, 10-1203, 13-402, 13-503, 13-803, 13-2503, 32-1302, 77-1842,
7 77-1858, 77-1901, 77-1914, 77-1915, 77-1916, and 77-1917.01, Reissue
8 Revised Statutes of Nebraska, sections 13-2202, 32-112.02, 32-404,
9 32-608, 32-1203, and 77-3443, Revised Statutes Cumulative Supplement,
10 2024, and sections 13-518, 77-1701, 77-1838, 77-1902, 77-1909, and
11 77-3442, Revised Statutes Supplement, 2025, are repealed.

12 **Sec. 119.** Original sections 13-3309, 18-2108, 18-2123, 18-2123.01,
13 18-2705, and 31-741, Reissue Revised Statutes of Nebraska, sections
14 13-3304, 14-102, 18-2155, 31-735, 71-1572, and 71-15,169, Revised
15 Statutes Cumulative Supplement, 2024, and sections 18-2102, 18-2103,
16 18-2147, 18-2709, and 77-202, Revised Statutes Supplement, 2025, are
17 repealed.

18 **Sec. 120.** Since an emergency exists, this act takes effect when
19 passed and approved according to law.