

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 479

Introduced by Groene, 42.

Read first time January 17, 2017

Committee: Government, Military and Veterans Affairs

- 1 A BILL FOR AN ACT relating to the Nebraska Budget Act; to amend sections
- 2 13-503 and 13-506, Revised Statutes Cumulative Supplement, 2016; to
- 3 redefine a term; to change provisions relating to public hearings on
- 4 proposed budget statements; and to repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-503, Revised Statutes Cumulative Supplement,
2 2016, is amended to read:

3 13-503 For purposes of the Nebraska Budget Act, unless the context
4 otherwise requires:

5 (1) Governing body means the governing body of any county
6 agricultural society, elected county fair board, joint airport authority
7 formed under the Joint Airport Authorities Act, city or county airport
8 authority, bridge commission created pursuant to section 39-868, cemetery
9 district, city, village, municipal county, community college, community
10 redevelopment authority, county, drainage or levee district, educational
11 service unit, rural or suburban fire protection district, historical
12 society, hospital district, irrigation district, learning community,
13 natural resources district, nonprofit county historical association or
14 society for which a tax is levied under subsection (1) of section
15 23-355.01, public building commission, railroad transportation safety
16 district, reclamation district, road improvement district, rural water
17 district, school district, sanitary and improvement district, township,
18 offstreet parking district, transit authority, metropolitan utilities
19 district, Educational Service Unit Coordinating Council, ~~and~~ political
20 subdivision with the authority to have a property tax request, with the
21 authority to levy a toll, or that receives state aid and joint entity
22 created pursuant to the Interlocal Cooperation Act that receives tax
23 funds generated under section 2-3226.05;

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

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

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

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

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

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

11 (8) Adopted budget statement means a proposed budget statement which
12 has been adopted or amended and adopted as provided in section 13-506.
13 Such term shall include additions, if any, to an adopted budget statement
14 made by a revised budget which has been adopted as provided in section
15 13-511;

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

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

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

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

5 Sec. 2. Section 13-506, Revised Statutes Cumulative Supplement,
6 2016, is amended to read:

7 13-506 (1) Each governing body shall each year or biennial period
8 conduct a public hearing on its proposed budget statement. Such hearing
9 shall be held on a separate day from any regularly scheduled meeting of
10 the governing body and shall not be limited by time. Notice of place and
11 time of such hearing, together with a summary of the proposed budget
12 statement, shall be published at least five days prior to the date set
13 for hearing in a newspaper of general circulation within the governing
14 body's jurisdiction. When the total operating budget, not including
15 reserves, does not exceed ten thousand dollars per year or twenty
16 thousand dollars per biennial period, the proposed budget summary may be
17 posted at the governing body's principal headquarters. At such hearing,
18 the governing body shall make a detailed presentation of the proposed
19 budget statement and shall make copies of the proposed budget statement
20 available to the public. Any member of the public desiring to speak on
21 the proposed budget statement shall be allowed to address the governing
22 body and shall be given a reasonable amount of time to do so. No earlier
23 than thirty days after ~~After~~ such hearing, the proposed budget statement
24 shall be adopted, or amended and adopted as amended, and a written record
25 shall be kept of such hearing. The amount to be received from personal
26 and real property taxation shall be certified to the levying board after
27 the proposed budget statement is adopted or is amended and adopted as
28 amended. If the levying board represents more than one county, a member
29 or a representative of the governing board shall, upon the written
30 request of any represented county, appear and present its budget at the
31 hearing of the requesting county. The certification of the amount to be

1 received from personal and real property taxation shall specify
2 separately (a) the amount to be applied to the payment of principal or
3 interest on bonds issued by the governing body and (b) the amount to be
4 received for all other purposes. If the adopted budget statement reflects
5 a change from that shown in the published proposed budget statement, a
6 summary of such changes shall be published within twenty days after its
7 adoption in the manner provided in this section, but without provision
8 for hearing, setting forth the items changed and the reasons for such
9 changes.

10 (2) Upon approval by the governing body, the budget shall be filed
11 with the auditor. The auditor may review the budget for errors in
12 mathematics, improper accounting, and noncompliance with the Nebraska
13 Budget Act or sections 13-518 to 13-522. If the auditor detects such
14 errors, he or she shall immediately notify the governing body of such
15 errors. The governing body shall correct any such error as provided in
16 section 13-511. Warrants for the payment of expenditures provided in the
17 budget adopted under this section shall be valid notwithstanding any
18 errors or noncompliance for which the auditor has notified the governing
19 body.

20 Sec. 3. Original sections 13-503 and 13-506, Revised Statutes
21 Cumulative Supplement, 2016, are repealed.