

ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023
COMMITTEE STATEMENT
LB3

Hearing Date: Tuesday January 31, 2023
Committee On: Banking, Commerce and Insurance
Introducer: Sanders
One Liner: Change provisions for tax levies for bonds issued by political subdivisions

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Rita Sanders
Jon Cannon
Lynn Rex

Representing:

Nebraska Legislature
Nebraska Association County Officials
League of Nebraska Municipalities

Opponents:

Representing:

Neutral:

Representing:

* ADA Accomodation Written Testimony

Summary of purpose and/or changes:

LB 3 would amend Neb. Rev. Stat. 10-110, 10-402, 10-403, 10-405, 10-507, 10-711, 10-804, and 13-509, in order to change provisions relating to the levying of taxes for bond sinking funds, to provide for the levying of taxes for bonds prior to the bond being issued, and create a deadline for notifying county assessors of approved bonds in order to correct the valuation of property. The bill would provide, section by section, as follows:

Section 1 amends section 10-110 by changing who is responsible to levy the percentage upon the taxable property of the county. Currently this responsibility falls to the county clerk. This section changes the responsibility to the county board.

Section 2 amends section 10-402 by removing the language making the interest of bonds payable only when they become due.

Section 3 amends section 10-403 by removing the requirement that the proposition state when the principal and interest of the bond shall be made payable. The proposition will still be required to state the rate of interest the bond will draw.

Section 4 amends section 10-405 to remove any action required once the bonds become due.

Section 5 amends section 10-507 by removing the requirement that a tax be levied annually for the payment of the interest on bonds only when they become due.

Section 6 amends section 10-711 by adding language requiring the county board in each county to levy annually a tax sufficient to pay the interest that will accrue or is accruing upon any bonds that have been or will be issued.

Section 7 amends section 10-804 to allow for tax levy action to be taken by officers of the county not only when bonds are issued, but also when they are authorized to be issued. The section also removes the language making the interest of bonds payable only when they become due.

Section 8 amends section 13-509 by adding a new subsection that states if the legal voters of a political subdivision have approved a bond since the last time taxable values were certified under section 13-509(1), the governing body of such political subdivision shall file a copy of the bond language approved by the legal voters of the political subdivision and a full legal description of the property subject to the bond with the county assessor of the county or counties in which such political subdivision is located. If the county assessor receives such copy and full legal description prior to July 1 or, for bonds of a city of the metropolitan class, prior to August 1, the valuation of the real and personal property subject to the bond shall be included in the value certified by the county assessor pursuant to 13-509(1) for the current year. If the county assessor receives such copy and full legal description on or after July 1 or, for bonds of a city of the metropolitan class, on or after August 1, the valuation of the real and personal property subject to the bond shall be included in the value certified by the county assessor pursuant to 13-509(1) for the following year.

Section 9 repeals the original sections being amended.

Julie Slama, Chairperson