

LEGISLATIVE BILL 1120
Passed over the Governor's veto
April 9, 1998.

Introduced by Wickersham, 49; Hartnett, 45; Robinson, 16

AN ACT relating to public safety; to amend sections 35-502, 35-507, 35-509.01, 35-511, 35-514, 35-521, 35-522, 35-530 to 35-533, 35-535, 35-536, 77-3,119, and 77-912, Reissue Revised Statutes of Nebraska, and sections 35-506, 35-508, 35-509, 35-516, and 35-517, Revised Statutes Supplement, 1996; to adopt the Mutual Finance Assistance Act; to create a fund; to change and eliminate provisions relating to rural and suburban fire protection districts; to change references relating to registered voters; to state intent; to create a task force to study radio communication; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 35-503 to 35-505, 35-513.01 to 35-513.05, 35-514.01, 35-523 to 35-526, 35-528, and 35-534, Reissue Revised Statutes of Nebraska, and section 35-527, Revised Statutes Supplement, 1996; and to declare an emergency.

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

Section 1. Sections 1 to 7 of this act shall be known and may be cited as the Mutual Finance Assistance Act.

Sec. 2. For purposes of the Mutual Finance Assistance Act, mutual finance organization means a group of rural or suburban fire protection districts, cities, or villages which enter into an agreement pursuant to section 4 of this act to cooperate for purposes of financing operational and equipment needs for fire protection, emergency response, or training within their joint areas of operation.

Sec. 3. The Mutual Finance Assistance Fund is created. The fund shall be used to provide assistance to rural or suburban fire protection districts and mutual finance organizations which qualify under the Mutual Finance Assistance Act. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 4. A mutual finance organization may be created by agreement among its members pursuant to the Interlocal Cooperation Act. The agreement shall contain a provision which requires all members of the mutual finance organization to levy the same property tax rate within their boundaries for the purpose of jointly funding the operations of all members of the mutual finance organization, except that the agreed-upon property tax rate shall exclude levies for bonded indebtedness and lease-purchase contracts in existence on July 1, 1998.

Sec. 5. (1) Any rural or suburban fire protection district which contains within its boundaries at least eighty percent of the assumed population of any one county which is contained in whole or in part within the district residing outside the city limits of any city of the first, primary, or metropolitan class in such county shall receive a distribution from the Mutual Finance Assistance Fund pursuant to section 6 of this act.

(2) Any mutual finance organization which (a) has entered into an agreement pursuant to section 4 of this act and (b) contains within the boundaries of its members at least eighty percent of the assumed county population of any one county which is contained in whole or in part within the mutual finance organization residing outside the city limits of any city of the first, primary, or metropolitan class in such county shall receive a distribution from the fund pursuant to section 6 of this act.

(3) For purposes of this section:

(a) The assumed population residing within the boundaries of a rural or suburban fire protection district or mutual finance organization equals (i) the estimated county population as determined based on the most recent estimates of the United States Bureau of the Census for counties, minus (ii) the estimated population of all cities and villages in the county as certified pursuant to section 77-3,119, multiplied by (iii) a fraction, the numerator of which is the valuation within the rural or suburban fire protection district or mutual finance organization and the denominator of which is the valuation in the county which is not contained within a city of the first, primary, or metropolitan class, and added to (iv) the most recent estimated population of all cities and villages in the fire protection district or mutual finance organization as certified pursuant to section 77-3,119;

(b) The assumed county population residing outside the city limits

of any city of the first, primary, or metropolitan class equals (i) the most recent estimated county population as determined based on the most recent estimates of the United States Bureau of the Census for counties minus (ii) the most recent estimated population of all cities of the first, primary, or metropolitan class in the county as certified pursuant to section 77-3,119;

(c) If a city or village is located in more than one county, the population of the city or village which resides in the county is presumed to be in proportion to the valuation of such city or village which is located in the county; and

(d) If the district or mutual finance organization is located in more than one county and the district or mutual finance organization meets the threshold in subsection (1) or (2) of this section in only one county, the district or mutual finance organization shall qualify for assistance under this section.

Sec. 6. (1) Rural and suburban fire protection districts or mutual finance organizations which qualify for assistance under section 5 of this act shall receive ten dollars times the assumed population of the fire protection district or mutual finance organization as calculated in subsection (3) of such section. If the district or mutual finance organization is located in more than one county and meets the threshold for qualification in subsection (1) or (2) of section 5 of this act in one of such counties, the district or mutual finance organization shall receive assistance under this section for all of its assumed population, including that which is assumed population in counties for which the threshold is not reached by the district or mutual finance organization.

(2) If a mutual finance organization qualifies for assistance under this section and one or more rural or suburban fire protection districts or cities or villages fail to levy a tax rate equal to the other districts or cities or villages as required under the mutual finance agreement, the mutual finance organization shall be disqualified for assistance in the following year and each subsequent year until the year following any year for which all districts and cities and villages in the mutual finance organization levy the same tax rate as required by a mutual finance organization agreement.

Sec. 7. (1) Any rural or suburban fire protection district or mutual finance organization seeking funds pursuant to the Mutual Finance Assistance Act shall submit an application for funding to the State Treasurer by July 1 or ten days after the operative date of this section, whichever is later. The State Treasurer shall develop the application which requires calculations showing assumed population eligibility under section 5 of this act and the distribution amount under section 6 of this act. If the applicant is a mutual finance organization, it shall attach to its first application a copy of the agreement pursuant to section 4 of this act and attach to any subsequent application a copy of an amended agreement or an affidavit stating that the previously submitted agreement is still accurate and effective.

(2) The State Treasurer shall review all applications for eligibility for funds under the act and approve any application which is accurate and demonstrates that the applicant is eligible for funds. On or before August 15, the State Treasurer shall notify the applicant of approval or denial of the application and certify the amount of funds for which an approved applicant is eligible. The decision of the State Treasurer may be appealed as provided in the Administrative Procedure Act.

(3) Funds shall be disbursed by the State Treasurer in two payments which are as nearly equal as possible, to be paid on or before November 1 and May 1. If the Mutual Finance Assistance Fund is insufficient to make all payments to all applicants in the amounts provided in section 6 of this act, the State Treasurer shall prorate payments to approved applicants. Funds remaining in the Mutual Finance Assistance Fund on June 1 shall be transferred to the General Fund before July 1.

Sec. 8. Section 35-502, Reissue Revised Statutes of Nebraska, is amended to read:

35-502. (1) In order to provide for the protection of lives and property in rural and suburban areas against loss or damage by fire, more than fifty percent of the freeholders registered voters residing in the following are hereby authorized and empowered to initiate the formation of rural or suburban fire protection districts under the conditions specified in this section:

(a) (i) Any territory in the State of Nebraska equivalent in area to one township or more which is situated outside the corporate limits of any city or village; or

(b) (ii) Any area of less than one township which is surrounded by rural or suburban fire protection districts; or

(b) (b) Any area situated in the State of Nebraska outside the

corporate limits of any city or village in which there are at least two hundred homes and which has a taxable valuation of at least two million eight hundred sixty thousand dollars.

(2) Such districts shall be organized in the manner provided by sections 35-501 to 35-517. If the district is organized in an area set forth in subdivision ~~(1)~~ (1)(a) of this section, it shall be a rural fire protection district and references in such sections to rural fire protection districts shall refer to such a district. If the district is organized in an area set forth in subdivision ~~(2)~~ (1)(b) of this section, it shall be a suburban fire protection district and references in such sections to a suburban fire protection district shall refer to such a district. Unless the context indicates otherwise, district, when used in such sections, shall refer to either a rural or suburban fire protection district, as the case may be.

(3) Any rural fire protection district which has been duly organized under Chapter 35, which has within its boundaries at least two hundred homes, and which has a taxable valuation of at least two million eight hundred sixty thousand dollars is hereby authorized and empowered to convert to a suburban fire protection district in the manner provided by section 35-519.

(4) Beginning July 1, 1998, no new rural or suburban fire protection district shall be formed except by merger or reorganization of two or more existing rural or suburban fire protection districts.

Sec. 9. Section 35-506, Revised Statutes Supplement, 1996, is amended to read:

35-506. (1) After formation of a district by merger or reorganization under section 35-517, at the time and place fixed by the county board for public hearing clerk for the public meeting as provided in section 35-505 35-514, the electors who are owners of any interest in real or personal property assessed for taxation in the district and registered voters who are residing within the boundaries of the district shall have the opportunity to decide by majority vote of those present whether the organization of the district shall be completed. Permanent organization shall be effected by the election of a board of directors consisting of five residents of the district. Such directors shall at the first regular meeting after their election select from the board a president, a vice president, and a secretary-treasurer who shall serve as the officers of the board of directors for one year. The board shall reorganize itself annually. The elected member of the board of directors receiving the highest number of votes in the election shall preside over the first regular meeting until the officers of such board have been selected. The three members receiving the highest number of votes shall serve for a term of four years, and the other two members for a term of two years; and this provision shall apply to directors elected at the organizational meeting of the district.

(2) The board shall reorganize itself annually. Election of directors of existing districts shall be held by the qualified electors registered voters present at the regular annual meeting provided for in section 35-507 which is held in the calendar year during which the terms of directors are scheduled to expire. As the terms of these members expire, their successors shall be elected for four years and hold office until their successors have been elected. If the district contains more than one township, each township may be represented on the board of directors, unless there are more than five townships within the district, and in such event there shall be only five directors on the board and no township shall have more than one member elected to such board of directors. In case of a vacancy on account of the resignation, death, or fee malfeasance, or nonfeasance of a member, the remaining members of the board shall fill the vacancy for the unexpired term. The person appointed to fill the vacancy shall be from the same area as the person whose office is vacated, if possible, otherwise from the district at large.

(3) The members of the board of directors of a rural or suburban fire protection district shall may receive up to twenty-five dollars for each meeting of the board, but not to exceed twelve meetings in any calendar year, and reimbursement for any actual expenses necessarily incurred as a direct result of their responsibilities and duties as members of the board engaged upon the business of the district. When it is necessary for any member of the board of directors to travel on business of the district and to attend meetings of the district, he or she shall be allowed mileage at the rate provided in section 81-1176 for state employees for each mile actually and necessarily traveled.

Sec. 10. Section 35-507, Reissue Revised Statutes of Nebraska, is amended to read:

35-507. A regular meeting of the electors who are owners of any interest in taxable property in the district and registered voters who are

residing within the boundaries of a district shall be held at the time of the budget hearing as provided by the Nebraska Budget Act, and special meetings may be called by the board of directors at any time. Notice of a meeting shall be given by the secretary-treasurer by one publication in a legal newspaper of general circulation in each county in which such district is situated. Notice of the place and time of a meeting shall be published at least five days prior to the date set for meeting. The meeting shall be held not less than seven days nor more than fourteen days after the date of publication of such notice.

Sec. 11. Section 35-508, Revised Statutes Supplement, 1996, is amended to read:

35-508. The board of directors shall have the following general powers:

- (1) To determine a general fire protection and rescue program for the district;
- (2) To make an annual estimate of the probable expense for carrying out such program;
- (3) To annually certify such estimate to the county clerk in the manner provided by section 35-509;
- (4) To manage and conduct the business affairs of the district;
- (5) To make and execute contracts in the name of and on behalf of the district;
- (6) To buy real estate when needed for the district and to sell real estate of the district when the district has no further use for it;
- (7) To purchase or lease such firefighting and rescue equipment, supplies, and other real or personal property as necessary and proper to carry out the general fire protection and rescue program of the district;
- (8) To incur indebtedness on behalf of the district;
- (9) To authorize the issuance of evidences of the indebtedness permitted under subdivision (8) of this section and to pledge any real or personal property owned or acquired by the district as security for the same;
- (10) To organize, establish, equip, maintain, and supervise a paid, volunteer, or combination paid and volunteer fire department or company to serve the district;
- (11) To employ and compensate such personnel as necessary to carry out the general fire protection and rescue program of the district;
- (12) To authorize the execution of a contract with the Game and Parks Commission or a public power district for fire protection of property of the commission or public power district located in or adjacent to the rural or suburban fire protection district;
- (13) To levy a tax not to exceed ten and one-half cents on each one hundred dollars in any one year upon the taxable value of all taxable property within such district subject to section 77-3443, in addition to the amount of tax which may be annually levied to defray the general and incidental expenses of such district, for the purpose of establishing a sinking fund for the construction, purchase, improvement, extension, original equipment, or repair, not including maintenance, of district buildings to house equipment or personal belongings of a fire department, for the purchase of firefighting and rescue equipment or apparatus, for the acquisition of any land incidental to such purposes, or for payment of principal and interest on any evidence of indebtedness issued pursuant to subdivisions (8) and (9) of this section. For purposes of section 77-3443, the county board of each the county in which the greatest portion of the valuation of the district is situated located shall approve the levy;
- (14) To adopt and enforce fire codes and establish penalties at annual meetings, except that the code must be available prior to annual meetings and notice shall so provide; and
- (15) Generally to perform all acts necessary to fully carry out the purposes of sections 35-501 to 35-517.

Sec. 12. Section 35-509, Revised Statutes Supplement, 1996, is amended to read:

35-509. (1) The board of directors shall have the power and duty to determine a general fire protection and rescue policy for the district and shall annually fix the amount of money for the proposed budget statement as may be deemed sufficient and necessary in carrying out such contemplated program for the ensuing fiscal year, including the amount of principal and interest upon the indebtedness of the district for the ensuing year. After the adoption of the budget statement, the president and secretary of the district shall certify request the amount of tax to be levied which the district requires for the adopted budget statement for the ensuing year to the proper county ~~clerk or county clerks~~ board on or before ~~June 30~~ August 1 of each year. Such ~~clerk or clerks~~ board shall levy a tax not to exceed three

and one-half cents on each one hundred dollars upon the taxable value of all the taxable property in such district when the district is a rural fire protection district, which levy may be increased to not to exceed seven cents by a majority vote of the eligible voters present at the annual district meeting, and not to exceed ten and one-half cents on each one hundred dollars upon the taxable value of all the taxable property in such district when the district is a rural or suburban fire protection district, for the maintenance of the fire protection district for the fiscal year as provided by law, plus such levy as is authorized to be made under subdivision (13) of section 35-508, all such levies being subject to section 77-3443. The tax shall be collected as other taxes are collected in the county, deposited with the county treasurer, and placed to the credit of the rural or suburban fire protection district so authorizing the same to be paid to the secretary-treasurer of such district as is provided for by subsection (3) of this section or to be remitted to the county treasurer of the county in which the greater portion greatest portion of the valuation of the district is located as is provided for by subsection (2) of this section. For purposes of section 77-3443, the county board of each county in which the district is situated the county in which the greatest portion of the valuation of the district is located shall approve the levy.

(2) All such taxes collected or received for the district by the treasurer of any other county than the one in which the greater portion greatest portion of the valuation of the district is located shall be remitted to the treasurer of the county in which the greater portion greatest portion of the valuation of the district is located at least quarterly. All such taxes collected or received shall be placed to the credit of such district in the treasury of the county in which the greater portion greatest portion of the valuation of the district is located.

(3) It shall be the duty of the secretary-treasurer of the district to apply for and receive from the county treasurer of the county where in which collected or from the county treasurer of the county in which the greater portion greatest portion of the valuation of the district is located, if such district is located in more than one county, all money to the credit of the rural or suburban fire protection district or collected for the same by such county treasurer, upon an order of the treasurer countersigned by the president of such district. The money shall be paid out upon warrants drawn upon the secretary-treasurer by authority of the board of directors of the district bearing the signature of the secretary-treasurer and the countersignature of the president of the rural or suburban fire protection district.

(4) In no case shall the amount of tax levy exceed the amount of funds to be received from taxation according to the adopted budget statement of the district.

Sec. 13. Section 35-509.01, Reissue Revised Statutes of Nebraska, is amended to read:

35-509.01. The secretary-treasurer of each district shall, within ten days after the his or her election, execute to the county and file with the county clerk a bond of not less than two thousand dollars in any instance nor less than the amount of money, as nearly as can be ascertained, to come into his or her hands as secretary-treasurer at any one time, with a surety company or companies of recognized responsibility as surety or sureties, to be approved by the president of such district, conditioned for the faithful discharge of the duties of his or her office. The premium on the bond shall be paid by the district. The bond when approved shall be filed in the office of the county clerk of the county wherein in which the rural or suburban fire protection district is situated. If the district is located in two or more counties, such bond shall be filed in the office of the county clerk of the county wherein in which the largest number of petitioners who signed the original petition shall have resided greatest portion of the valuation of the district is located. If the secretary-treasurer shall fail fails to execute such bond, his or her office shall be declared vacant by the board, and the board shall immediately appoint a secretary-treasurer, who shall be subject to the same conditions and possess the same powers as if elected to that office. The secretary-treasurer shall have no power or authority to withdraw or disburse the money of the district prior to his or her filing the bond herein required in this section.

Sec. 14. Section 35-511, Reissue Revised Statutes of Nebraska, is amended to read:

35-511. ~~(1) All funds collected on behalf of the district through the levy of taxes and (2) all~~ All donations, contributions, bequests, annuities, or borrowed money received by or on behalf of the district shall be deposited with the county treasurer ~~to the credit of the district fund~~

secretary-treasurer of the district and shall be drawn out only upon proper order and warrant or check, ~~with voucher attached.~~ Such order and warrant or check shall be authorized by the board of directors and shall bear the signature of the ~~treasurer~~ secretary-treasurer and the countersignature of the president of such district. The secretary-treasurer of the district shall, at each annual public meeting of the district, present a financial report concerning the affairs of the district.

Sec. 15. Section 35-514, Reissue Revised Statutes of Nebraska, is amended to read:

35-514. (1) Any territory which is outside the limits of any incorporated city or rural or suburban fire protection district and is adjacent to the boundary of an existing rural or suburban fire protection district may be annexed to such an adjacent district in the manner hereinafter provided in this section, whether or not the territory is in an existing rural or suburban fire protection district.

(2) The proceedings for the annexation, ~~referred to in subsection (1) of this section,~~ may be initiated by either (a) the presentation to the county clerk of a petition signed by sixty percent or more of the electors who are owners of any interest in real or personal property assessed for taxation in the territory to be annexed and registered voters who are residing within the boundaries of such the territory to be annexed stating the desires and purposes of such petitioners; or (b) the presentation to the county clerk of certified copies of resolutions passed by the board of directors of the annexing district and any other district from which the property would be annexed supporting the proposed annexation. a petition signed by all of the nonresident owners of any interest in real or personal property assessed for taxation in the territory to be annexed stating the desires and purposes of such petitioners, including the statement that each nonresident petitioner acknowledges and accepts that he or she will not be a qualified elector of the district until he or she becomes a resident of the district. The petition or resolutions shall contain a description of the boundaries of the territory proposed to be annexed. ~~It~~ The petition or resolutions shall be accompanied by a map or plat and a deposit for publication costs.

(3) The county clerk shall consult the tax schedules in the office of the county assessor verify the petition as provided in section 32-631 and determine and certify whether or not such petition or resolution complies with the requirements of subsection (2) of this section and that the persons signing the same petition appear to reside at the addresses indicated by such petition. Thereafter, the county clerk shall forward such any petition, map or plat, and certificate to the board of directors of the district districts concerned.

(4) Within thirty days after receiving the petition, map or plat, and certificate of the county clerk, in accordance with subsection (3) of this section, from the county clerk, such the board of directors of all affected districts shall transmit the same to the proper county board, accompanied by a report in writing approving or disapproving the proposal contained in ~~said~~ the petition, or approving such proposal in part and disapproving it in part. If the annexation is proposed by resolutions of the affected districts, the resolutions shall be transmitted to the proper county board.

(5) If the report of the board of directors, referred to in subsection (4) of this section, disapproves the proposal, the petition shall be rejected. If the report is favorable to such proposal, either in whole or in part, the The county board shall promptly designate a time and place for a hearing upon the petition and shall give notice thereof in the manner prescribed by section 35-504: annexation. Notice of such hearing shall be given by publication two weeks in a newspaper of general circulation in the county, the last publication appearing at least seven days prior to the hearing. The notice shall be addressed to "all registered voters residing in the following boundaries" and shall include a description of the proposed boundaries as set forth in the petition or resolutions. At such hearing, any person owning taxable property or residing within the boundaries of the existing district or the territory to be annexed, shall have the opportunity to be heard respecting the proposed annexation.

(6) The county board shall, at or shortly within forty-five days after the hearing referred to in subsection (5) of this section, determine whether such territory should be annexed to the existing district and shall fix the boundaries of the territory to be annexed. No annexation shall be approved which would leave any district with less than the minimum valuation of two million eight hundred sixty thousand dollars. The determination of the county board shall be set forth in a written order which shall describe the boundaries determined upon and shall be filed in the office of the county clerk.

(7) Any area annexed from a rural or suburban fire protection district, except areas duly incorporated within the boundaries of a municipality, shall be subject to assessment and be otherwise chargeable for the payment and discharge of all the obligations of the rural or suburban fire protection district outstanding at the time of the filing of the petition or resolution for the annexation of the area as fully as though the area had not been annexed. All procedures which could be used to compel the annexed area, except for areas duly incorporated within the boundaries of a municipality, to pay its portion of the outstanding obligations had the annexation not occurred may be used to compel such payment. Areas duly incorporated within the boundaries of a municipality shall be automatically annexed from the boundaries of the district notwithstanding the provisions of section 31-766 and shall not be subject to further tax levy or other charges by the district, except that before the annexation is complete, the municipality shall assume and pay that portion of all outstanding obligations of the district which would otherwise constitute an obligation of the area annexed or incorporated. An area annexed from a rural or suburban fire protection district shall not be subject to assessment or otherwise chargeable for any obligation of any nature or kind incurred by the district after the annexation of the area from the district. + PROVIDED, that no area shall be annexed to an existing rural or suburban fire protection district contrary to the recommendation of the board of directors of such existing district.

Sec. 16. Section 35-516, Revised Statutes Supplement, 1996, is amended to read:

35-516. (1) The boundaries of any rural or suburban fire protection district organized under sections 35-501 to 35-517 may be changed in the manner prescribed by section 35-514, but the changes of boundaries of any such district shall not impair or affect its organization or its right in or to property; nor shall it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made.

(2) Any two or more rural or suburban fire protection districts may be merged by petition or resolution in the manner prescribed for annexation by section 35-514, and the resulting district shall succeed to all rights and property and be subject to any contracts, obligations, liens, or charges of the districts so merged.

Sec. 17. Section 35-517, Revised Statutes Supplement, 1996, is amended to read:

35-517. (1) By July 1, 1999, the county board shall set the boundaries of all rural or suburban fire protection districts in the county so that all areas within the county which are not within the incorporated area of cities and villages are included within a rural or suburban fire protection district.

(2) By July 1 of the year following the dissolution of any rural or suburban fire protection district, the county board shall set the boundaries of all remaining rural and suburban fire protection districts so that all areas within the county which are not within the incorporated areas of cities and villages are included within a rural or suburban fire protection district.

(3) Any county may set the boundaries of all rural and suburban fire protection districts for which the county is responsible for allocating levy authority under section 77-3443 so that the highest levy of a rural or suburban fire protection district is no more than two times the average levy of all rural and suburban fire protection districts for which the county is responsible for allocating levy authority under section 77-3443 based on the property tax request and associated valuation for the current fiscal year. For purposes of this subsection, each county shall examine the property tax request of each rural or suburban fire protection district in the county for all purposes except bonded indebtedness for the current fiscal year and lease-purchase contracts in existence on July 1, 1998, as compared to the valuation for the tax year against which the levy was imposed. If one or more fire protection districts do not meet the standard required by this subsection for the current year, boundaries may be relocated to place more valuation in the high levy districts and less in the low levy districts so that the standard is met. If any district is to be eliminated by the county to meet the standard, the property tax request for the current fiscal year will be assumed to be transferred to the other districts which are to be in the territory of the eliminated district in proportion to the valuation transferred to such districts for purposes of compliance with the standard, the district shall be deemed to be dissolved, and the obligations and assets of the district shall be disposed of as provided in section 35-521. For purposes of this subsection, the average levy of all rural and suburban fire protection districts means the total taxes levied by all rural and suburban

fire protection districts for which the county is responsible for allocating levy authority divided by the total taxable valuation of all such districts. The county clerk of each county in which any rural fire protection district or districts have been organized under the provisions of Chapter 35 prior to April 28, 1949.

(4) Before May 1 of the year in which any change in boundaries allowed or required under this section is to be effective, the county board shall forthwith designate a time and place for a hearing before the county board of such county and shall give due notice thereof in the manner prescribed by section 35-504 35-514. The hearing shall be prior to June 1. At the time and place so fixed the county board shall meet and all persons interested shall have opportunity to be heard. Thereupon, the county board shall consider the general rural fire protection policy for the county as a whole and shall determine the boundaries of the district or districts, whether as existing prior to such determination or otherwise, and shall make a written order of such determination which shall be filed in the office of the county clerk by July 1 of the year in which any change in boundaries under this section is to be effective. If all rural and suburban fire protection districts for which the county is responsible for allocating levy authority under section 77-3443 agree to a change in boundaries and submit a proposal to change boundaries to the county board prior to the hearing, the county shall adopt the proposal unless it finds that the proposal is not consistent with the fire protection policy in the county as a whole or does not result in levies which comply with the standard described in this section. Thereafter, such reorganized district or districts shall be deemed to be organized and operating under sections 35-501 to 35-517. Nothing herein contained shall impair, affect, or discharge any previously existing contract, obligation, lien, or charge of the district or districts.

Sec. 18. Section 35-521, Reissue Revised Statutes of Nebraska, is amended to read:

35-521. A petition seeking the dissolution of a rural or suburban fire protection district, signed by the legal registered voters of the district equal in number to ten percent of the number of votes cast in the district for Governor at the last general election registered voters, may be filed with the board of directors. If the board finds that all indebtedness of the district can be satisfied from funds on hand or to be received from the then current levy, it shall submit the question of dissolution to the legal registered voters of the district at the next annual rural or suburban fire protection district election. If a majority of those voting on the question vote in favor of such dissolution, the board of directors shall declare the district dissolved and certify such action to the county boards of the counties in which the district is located. After satisfying the outstanding indebtedness of the district, the secretary-treasurer of the district shall transfer to the county treasurers of the counties in which the district is situated any remaining funds of the district in the same proportion as the area of the district in each county bears to the total area of the district, and such funds shall be deposited in the general fund of the respective counties.

Sec. 19. Section 35-522, Reissue Revised Statutes of Nebraska, is amended to read:

35-522. When any rural or suburban fire protection district is inactive for a period of at least five years, as determined by resolution of the county board in which the greater greatest portion of the valuation of the district is located, the county board may order the district dissolved. The county board shall file copies of such order of dissolution with the county clerks and county treasurers of all counties in which such district is located. Upon receipt of such order, the county treasurer shall dispose of any remaining funds of such district in the manner provided by section 35-521.

Sec. 20. Section 35-530, Reissue Revised Statutes of Nebraska, is amended to read:

35-530. Any fire department The territory within the incorporated area of any village or city of the second class may be merged with included within a rural or suburban fire protection district pursuant to sections 35-530 to 35-536.

Sec. 21. Section 35-531, Reissue Revised Statutes of Nebraska, is amended to read:

35-531. The proceedings for the merger inclusion referred to in section 35-530 may be initiated by (1) the presentation to the county clerk of a petition signed by sixty percent or more of the electors who are owners of any interest in real or personal property assessed for taxation in the territory to be merged and registered voters who are residing within the boundaries of such the territory to be included stating the desires and

purposes of such petitioners or (2) adoption by a majority vote of a joint resolution or ordinance by the board of directors of the district and the city council or village board. The petition or joint resolution or ordinance shall contain a description of the boundaries of the territory proposed to be merged included and it shall be accompanied by a map or plat and a deposit for publications costs.

Sec. 22. Section 35-532, Reissue Revised Statutes of Nebraska, is amended to read:

35-532. The county clerk shall verify the petition as provided in section 32-631 examine the tax schedules in the office of the county assessor and determine and certify whether or not such petition or joint resolution or ordinance complies with the requirements of section 35-531 and that the persons signing the petition appear to reside within the boundaries described by such petition. Thereafter, the county clerk shall forward such petition, map or plat, and certificate to the board of directors of the district and the village board or city council affected by such merger inclusion. If the inclusion proposed is by joint resolution or ordinance, the county clerk shall transmit the joint resolution or ordinance and map or plat to the county board for a hearing under section 35-533.

Sec. 23. Section 35-533, Reissue Revised Statutes of Nebraska, is amended to read:

35-533. (1) Within thirty days after receiving the petition, map or plat, and certificate of the county clerk, in accordance with section 35-532, the board of directors of the district and the city council or village board shall transmit the petition, map or plat, and certificate to the proper county board, accompanied by a report in writing approving or disapproving the proposal contained in the petition, or approving such proposal in part and disapproving it in part.

(2) Within thirty days after receiving the resolution or ordinance, map or plat, and certificate of the county clerk, the board of directors of the district and the city council or village board shall transmit the resolution or ordinance, map or plat, and certificate to the proper county board.

(3) If the proposed district shall will be situated within two or more counties, the county clerk of the county wherein in which the largest number of petitioners shall have signed or, in the case of a joint resolution or ordinance, the county containing the greatest number of registered voters, shall confer with the clerk or clerks of the other county or counties concerned and shall obtain a certificate as to the adequacy of the petitions, resolutions, or ordinances pertaining to such county or counties, and thereafter he or she shall designate a time and place for a hearing before a joint meeting of the county boards of all counties in which the proposed district is to be situated. Notice of such hearing shall be given by publication two weeks in a newspaper of general circulation in the county, the last publication appearing at least seven days prior to the hearing. The notice shall be addressed to "all registered voters residing in the following boundaries" and shall include a description of the proposed boundaries as set forth in the petition, resolution, or ordinance, and shall give notice of such hearing by publication in the manner prescribed by section 35-504. At the time and place so fixed, the county board or boards shall meet and all persons residing in or owning taxable property within the proposed district shall have an opportunity to be heard respecting the merger inclusion or the location of the boundaries of the district. Thereupon within forty-five days after such hearing, the county board or boards shall determine whether the proposed district is suited to the general fire protection policy of the county, or each of such counties, as a whole, determine the boundaries of the proposed district, whether as suggested in the petition or otherwise, and make a written order of such determination which shall describe the boundaries of the district and be filed in the office of the county clerk or clerks of each county in which such district is situated.

Sec. 24. Section 35-535, Reissue Revised Statutes of Nebraska, is amended to read:

35-535. (1) The county board shall, at or shortly after the hearing referred to in section 35-534, determine whether such territory should be merged and shall fix the boundaries of the territory to be merged. The determination of the county board shall be set forth in a written order which shall describe the boundaries determined upon and shall be filed in the office of the county clerk.

(2) The After the filing of a written order by the county board pursuant to section 35-533, the county clerk shall then fix a time and place for a public meeting of all electors who are owners of any interest in real or personal property assessed for taxation in the district and registered voters

who are residing within the boundaries. A board of directors shall be elected as provided in section 35-506, and shall have the powers as provided in section 35-508.

Sec. 25. Section 35-536, Reissue Revised Statutes of Nebraska, is amended to read:

35-536. Each village volunteer or rural or suburban fire protection district merged pursuant to sections 35-530 to 35-536 shall be subject to the provisions of sections 35-508, 35-509, 35-511, and 35-512. Such merged district shall operate under the same tax levy limit as a rural or suburban fire protection district.

Sec. 26. Section 77-3,119, Reissue Revised Statutes of Nebraska, is amended to read:

77-3,119. (1) The Tax Commissioner shall certify the population of cities and villages to be used for purposes of calculations made pursuant to subdivision (3) of section 18-2603, ~~section 39-2513 subdivisions (3)(a) and (b) of section 5 of this act~~, subdivision (1) of section 39-2517, and ~~section sections 39-2513 and~~ 77-27,137.01. The Tax Commissioner shall transmit copies of such certification to all interested parties upon request.

(2) The Tax Commissioner shall certify the population of each city and village based upon the most recent federal census. The Tax Commissioner shall determine the most recent federal census for each city and village by using the most recent federal census figures available from (a) the most recent federal decennial census, (b) the most recent federal census update or recount certified by the United States Bureau of the Census, or (c) the most recent federal census figure of the city or village plus the population of territory annexed as calculated in sections 18-1753 and 18-1754.

(3) The Tax Commissioner may adopt and promulgate rules and regulations to carry out this section.

Sec. 27. Section 77-912, Reissue Revised Statutes of Nebraska, is amended to read:

77-912. The Director of Insurance shall transmit ~~one-half fifty percent~~ of the taxes paid in conformity with Chapter 44, article 1, and Chapter 77, article 9, to the State Treasurer, ~~forty percent and one-half of~~ such taxes paid to the General Fund, and ~~ten percent of such taxes paid to the Mutual Finance Assistance Fund~~ promptly upon completion of his or her audit and examination and in no event later than May 1 of each year, except that:

(1) All fire insurance taxes paid pursuant to sections 44-150 and 81-523 shall be remitted to the State Treasurer for credit to the Fire Insurance Tax Fund;

(2) All workers' compensation insurance taxes paid pursuant to section 44-150 shall be remitted to the State Treasurer for credit to the Compensation Court Cash Fund; and

(3) On August 1, 1996, and each August 1 thereafter through August 1, 1999, the State Treasurer shall transfer one hundred thousand dollars to the Nebraska Local Government Innovation and Restructuring Fund.

Sec. 28. (1) The Legislature finds and declares that:

(a) Efficient, reliable radio communication is paramount to ensure public safety;

(b) Directing the state's resources in times of emergency toward the saving of lives, the protection of property, and meeting the emergency needs of citizens requires a statewide system of radio communication;

(c) The system of radio communication in Nebraska is inadequate, lacking interoperational cohesiveness during daily operations and emergencies;

(d) The system of radio communication is susceptible to interference; and

(e) Radio communication interoperability between county, city, state, and federal agencies is lacking in the State of Nebraska.

(2) It is the intent of the Legislature to establish a task force to study the development of a statewide radio communication system and the feasibility and strategies necessary for the consolidation of resources and technologies in order to implement such a system. The state shall operate and construct the infrastructure for a system which would allow for interjurisdictional radio communication interconnections between the state and its political subdivisions.

Sec. 29. (1) The Task Force for the Nebraska State Radio Communication System is created. The task force shall be appointed by the Governor within twenty days after the operative date of this section and shall consist of the following twelve members, all of whom shall be individuals with knowledge regarding radio communication:

(a) A representative of the division of communications of the Department of Administrative Services;

(b) A representative of the Department of Roads;

- (c) A representative of the Game and Parks Commission;
- (d) A representative of the Nebraska State Patrol;
- (e) A representative of the Nebraska Emergency Management Agency;
- (f) A representative of the Department of Correctional Services;
- (g) A representative of the Nebraska Emergency Medical Services

Association;

- (h) A representative of the Nebraska Professional Firefighters Association;

Association;

- (i) A representative of the Nebraska County Sheriffs Association;
- (j) A representative of the Police Officers Association of Nebraska;
- (k) A representative of the Nebraska Association of County

Officials; and

- (1) A representative of city government.

(2) The representative of the division of communications of the Department of Administrative Services shall serve as chairperson of the task force. The members shall be reimbursed for their actual and necessary expenses as provided in sections 81-1174 to 81-1177. The task force may establish such subcommittees and working groups as necessary and appropriate to advise the task force. For administrative and budgetary purposes, the task force shall be within the division of communications of the Department of Administrative Services. The division shall provide office space, equipment, and staff support for the task force.

(3) On or before January 1, 1999, the task force shall report its findings to the Legislature and the Governor. The report shall include a recommendation of any legislative changes that may be necessary to provide for the implementation of a statewide radio communication system for the State of Nebraska.

Sec. 30. Sections 1 to 7, 26, 27, and 31 of this act become operative on June 1, 1998. Sections 8 to 25, 32, and 33 of this act become operative on July 1, 1998. The other sections of this act become operative on their effective date.

Sec. 31. Original sections 77-3,119 and 77-912, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 32. Original sections 35-502, 35-507, 35-509.01, 35-511, 35-514, 35-521, 35-522, 35-530 to 35-533, 35-535, and 35-536, Reissue Revised Statutes of Nebraska, and sections 35-506, 35-508, 35-509, 35-516, and 35-517, Revised Statutes Supplement, 1996, are repealed.

Sec. 33. The following sections are outright repealed: Sections 35-503 to 35-505, 35-513.01 to 35-513.05, 35-514.01, 35-523 to 35-526, 35-528, and 35-534, Reissue Revised Statutes of Nebraska, and section 35-527, Revised Statutes Supplement, 1996.

Sec. 34. Since an emergency exists, this act takes effect when passed and approved according to law.