

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 492

FINAL READING

Introduced by Wayne, 13; Hunt, 8.

Read first time January 22, 2019

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to municipalities; to amend sections 13-1213,
2 13-2202, 13-2401, 14-1803, 14-1812, 32-567, 32-604, 32-1203, 75-303,
3 77-3442, and 77-3443, Reissue Revised Statutes of Nebraska, and
4 sections 13-503, 13-519, 13-1205, 13-1209, 32-101, 60-6,290, 84-304,
5 and 84-304.02, Revised Statutes Cumulative Supplement, 2018; to
6 adopt the Regional Metropolitan Transit Authority Act; to provide a
7 budget limitation exception as prescribed; to change provisions
8 relating to creation of a metropolitan transit authority; to provide
9 a maximum property tax levy for a regional metropolitan transit
10 authority; to provide for election of the board of directors of an
11 authority; to harmonize provisions; to provide a duty for the
12 Revisor of Statutes; and to repeal the original sections.

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

1 Section 1. Sections 1 to 25 of this act shall be known and may be
2 cited as the Regional Metropolitan Transit Authority Act.

3 Sec. 2. The Legislature finds and declares that:

4 (1) Passenger, truck, and pedestrian traffic on streets located in
5 municipalities within metropolitan statistical areas or combined
6 statistical areas have been and continue to be severely congested by the
7 number of motor vehicles operating within such municipalities;

8 (2) Such existing traffic congestion has created a dangerous hazard
9 to the lives and property of pedestrians and those traveling in private
10 and public vehicles and obstructs the administration of firefighting
11 forces and police protection forces in such municipalities;

12 (3) The availability of public transportation within such
13 municipalities plays an increasing role in the recruitment and retention
14 of both businesses and employees within such municipalities;

15 (4) Public transportation fosters economic development, real estate
16 investment, and local job creation, and investment in new public
17 transportation projects provides both short-term and long-term impacts on
18 economic growth;

19 (5) Interconnectivity of public transportation systems across
20 multiple municipalities within the same metropolitan statistical area or
21 combined statistical area can play a critical role in fostering economic
22 growth, avoiding duplication of service, ensuring equitable access to
23 transportation service throughout contiguous urbanized areas, and
24 supporting transportation that crosses jurisdictional boundaries; and

25 (6) Relieving congestion on the streets of such municipalities and
26 providing for the establishment of comprehensive regional public
27 transportation systems in such municipalities is a matter of public
28 interest and statewide concern.

29 Sec. 3. For purposes of the Regional Metropolitan Transit Authority
30 Act:

31 (1) Board means the board of directors of any regional metropolitan

1 transit authority established under the Regional Metropolitan Transit
2 Authority Act;

3 (2) Combined statistical area means two or more adjacent
4 metropolitan statistical areas or micropolitan statistical areas
5 delineated by the United States Office of Management and Budget as a
6 combined statistical area under standards developed using data from the
7 2010 Census of Population by the United States Bureau of the Census, and
8 data from the 2006-2010 American Community Survey 5-Year Estimate by the
9 United States Bureau of the Census, as such delineations existed on April
10 10, 2018;

11 (3) Governing body means the city council of a city or the village
12 board of trustees of a village;

13 (4) Metropolitan statistical area means a core-based statistical
14 area delineated by the United States Office of Management and Budget as a
15 metropolitan statistical area under standards developed using data from
16 the 2010 Census of Population by the United States Bureau of the Census,
17 and data from the 2006-2010 American Community Survey 5-Year Estimate by
18 the United States Bureau of the Census, as such delineations existed on
19 April 10, 2018;

20 (5) Micropolitan statistical area means a core-based statistical
21 area delineated by the United States Office of Management and Budget as a
22 micropolitan statistical area under standards developed using data from
23 the 2010 Census of Population by the United States Bureau of the Census,
24 and data from the 2006-2010 American Community Survey 5-Year Estimate by
25 the United States Bureau of the Census, as such delineations existed on
26 April 10, 2018;

27 (6) Municipality means any city or village in the State of Nebraska;

28 (7) Revenue bonds means revenue bonds issued by a regional
29 metropolitan transit authority established under the Regional
30 Metropolitan Transit Authority Act; and

31 (8) Territory means the operating jurisdiction of a regional

1 metropolitan transit authority as established pursuant to section 4 of
2 this act.

3 Sec. 4. (1) A transit authority established under the Transit
4 Authority Law which serves one or more municipalities located within the
5 same metropolitan statistical area or combined statistical area may
6 convert into a regional metropolitan transit authority upon a two-thirds
7 vote of the board of directors of such transit authority. As of the
8 effective date of such conversion, to be specified at the time of such
9 vote, such transit authority shall remain a body corporate and politic
10 and a governmental subdivision of the State of Nebraska, but thereafter
11 shall be known as the Regional Metropolitan Transit Authority of
12 (filling out the blank with the name of the municipality that established
13 the transit authority under the Transit Authority Law or of the
14 municipality, municipalities, region, metropolitan statistical area, or
15 combined statistical area comprising the regional metropolitan transit
16 authority). In addition to the powers and authority granted under the
17 Transit Authority Law, such regional metropolitan transit authority shall
18 have and possess all of the powers and authority of, together with the
19 duties and responsibilities of, a regional metropolitan transit authority
20 pursuant to the Regional Metropolitan Transit Authority Act. The
21 operating jurisdiction of such regional metropolitan transit authority
22 shall be deemed to extend to all areas within the boundaries of the
23 municipality that established the transit authority under the Transit
24 Authority Law, as may thereafter be expanded.

25 (2)(a) At any time after a transit authority established under the
26 Transit Authority Law has converted into a regional metropolitan transit
27 authority, any municipality that is within the same metropolitan
28 statistical area or combined statistical area as such regional
29 metropolitan transit authority may decide, by a two-thirds vote of its
30 governing body, to request to join such regional metropolitan transit
31 authority. Upon approval of such request by a two-thirds vote of the

1 board of directors of such regional metropolitan transit authority, the
2 operating jurisdiction of such regional metropolitan transit authority
3 shall be deemed to extend to all areas within the boundaries of such
4 municipality, as may thereafter be expanded.

5 (b) At any time after a municipality has joined a regional
6 metropolitan transit authority pursuant to subdivision (2)(a) of this
7 section, such municipality may decide, by a two-thirds vote of its
8 governing body, to leave such regional metropolitan transit authority.
9 Following such vote, the governing body shall transmit a copy of the
10 resolution to leave the regional metropolitan transit authority to the
11 board of such regional metropolitan transit authority. As provided in
12 subsection (2) of section 8 of this act, the operating jurisdiction of
13 such regional metropolitan transit authority shall no longer extend to
14 areas within the boundaries of such municipality.

15 (3) Any regional metropolitan transit authority established pursuant
16 to this section shall have full and exclusive jurisdiction and control
17 over all public passenger transportation facilities and systems that are
18 owned, controlled, operated, or acquired by such regional metropolitan
19 transit authority or that are located in any municipality in which such
20 authority shall be deemed to have operating jurisdiction pursuant to this
21 section, excluding taxicabs, transportation network companies, and
22 interstate railroad systems, with the right and duty to charge and
23 collect revenue for the operation and maintenance of such systems and for
24 the benefit of the holders of any of its revenue bonds or other
25 liabilities.

26 Sec. 5. (1) Nothing in the Regional Metropolitan Transit Authority
27 Act shall be construed to prohibit any municipality from contracting
28 directly for passenger transportation services with a transit authority
29 established under the Transit Authority Law or with any regional
30 metropolitan transit authority, other than a municipality in which the
31 operating jurisdiction of a regional metropolitan transit authority has

1 been extended pursuant to section 4 of this act.

2 (2) No more than one regional metropolitan transit authority shall
3 be created within a single metropolitan statistical area or combined
4 statistical area.

5 Sec. 6. For purposes of calculating allowable growth under the
6 Nebraska Budget Act, the following shall be treated as an annexation of
7 territory by a regional metropolitan transit authority:

8 (1) If the municipality that established the transit authority prior
9 to the conversion of such authority into a regional metropolitan transit
10 authority annexes additional territory after such conversion; or

11 (2) If any other municipality which joined such regional
12 metropolitan transit authority pursuant to subsection (2) of section 4 of
13 this act annexes additional territory after joining such regional
14 metropolitan transit authority.

15 Sec. 7. (1) The governing body of a regional metropolitan transit
16 authority shall be a board to be known as the Regional Metropolitan
17 Transit Board of (filling out the blank to coincide
18 with the name of such regional metropolitan transit authority).

19 (2) As of the effective date of the conversion of a transit
20 authority established under the Transit Authority Law into a regional
21 metropolitan transit authority under section 4 of this act, the board of
22 the existing transit authority shall serve as the temporary board to
23 govern the regional metropolitan transit authority until a board is
24 elected pursuant to section 8 of this act.

25 (3) Any vacancy on the temporary board of a regional metropolitan
26 transit authority shall be filled by appointment by the mayor of the city
27 that appointed the members of such temporary board, with the approval of
28 the governing bodies of such municipalities, to serve the unexpired
29 portion of the temporary board member's term.

30 Sec. 8. (1) Following the effective date of a conversion of a
31 transit authority established under the Transit Authority Law into a

1 regional metropolitan transit authority, the election commissioner or
2 county clerk of the county in which the majority of the territory of the
3 authority is located shall divide the territory of the authority into
4 seven numbered districts for the purpose of electing members to the
5 board. Such districts shall be compact and contiguous and substantially
6 equal in population. The newly established districts shall be certified
7 to the Secretary of State following such creation. The newly established
8 districts shall apply beginning with the nomination and election of board
9 members at the next statewide primary and general elections held at least
10 seventy days after the effective date of such conversion. Following the
11 drawing of initial districts pursuant to this section, additional
12 redistricting shall be undertaken by the board according to section
13 32-553. One member shall be elected from each district as provided in
14 section 36 of this act.

15 (2) Upon the joining of a municipality or municipalities to an
16 existing regional metropolitan transit authority by agreement pursuant to
17 subdivision (2)(a) of section 4 of this act, or upon a municipality
18 leaving such regional metropolitan transit authority by vote pursuant to
19 subdivision (2)(b) of section 4 of this act, the board shall redraw the
20 boundaries of the districts to ensure that such districts remain compact
21 and contiguous and substantially equal in population. The redrawn
22 districts shall be certified to the Secretary of State within six months
23 following the joining or leaving of such municipality or municipalities
24 and shall apply beginning with the nomination and election of board
25 members at the next statewide primary and general elections held at least
26 seventy days after the certification of the districts.

27 (3) A vacancy in office for an elected member of the board shall
28 occur as set forth in section 32-560. Whenever any such vacancy occurs,
29 the remaining members of the board shall appoint an individual residing
30 within the geographical boundaries of the district in which the vacancy
31 occurred for the balance of the unexpired term.

1 Sec. 9. Each member of the board, before entering upon the duties
2 of office, shall file with the city clerk or village clerk of the
3 municipality in which he or she resides an oath that he or she will duly
4 and faithfully perform all the duties of the office to the best of his or
5 her ability and a bond in the penal sum of five thousand dollars executed
6 by one or more qualified sureties for the faithful performance of his or
7 her duties. If any member fails to file such oath and bond on or before
8 the first day of the term for which he or she was appointed or elected,
9 his or her office shall be deemed to be vacant.

10 Sec. 10. (1) Not later than seven days after the qualification of
11 the members, the board shall organize for the transaction of business,
12 shall select a chairperson and vice-chairperson from among its members,
13 and shall adopt bylaws, rules, and regulations to govern its proceedings.
14 The chairperson and vice-chairperson and their successors shall be
15 elected annually by the board and shall serve for a term of one year. Any
16 vacancy in the office of chairperson or vice-chairperson shall be filled
17 by election by the board for the remainder of the term.

18 (2) A quorum for the transaction of business shall consist of four
19 members of the board, unless such board is a temporary board under
20 section 7 of this act, in which case a quorum shall consist of three
21 members of the board.

22 (3) Regular meetings of the board shall be held at least once in
23 each calendar month at a time and place to be fixed by the board.

24 (4) All actions of the board shall be by resolution except as may
25 otherwise be provided in the Regional Metropolitan Transit Authority Act,
26 and the affirmative vote of a majority of the board members shall be
27 necessary for the adoption of any resolution.

28 (5) The board shall keep accurate minutes of all its proceedings.
29 All resolutions and all proceedings of a regional metropolitan transit
30 authority and all official documents and records of such authority shall
31 be public records and open to public inspection, except for such

1 documents which may be withheld from the public pursuant to section
2 84-712.05.

3 Sec. 11. No member of the board and no officer or employee of a
4 regional metropolitan transit authority shall have any private financial
5 interest, profit, or benefit in any contract, work, or business of such
6 authority or in the sale or lease of any property to or from such
7 authority.

8 Sec. 12. For purposes of the Regional Metropolitan Transit
9 Authority Act, a regional metropolitan transit authority shall possess
10 all of the necessary powers of a public body corporate and politic and
11 governmental subdivision of the State of Nebraska, including, but not
12 limited to:

13 (1) To maintain a principal office and, if necessary, satellite
14 offices in the municipality or municipalities which form the authority;

15 (2) To adopt an official seal;

16 (3) To employ a general manager, engineers, accountants, attorneys,
17 financial experts, and such other employees and agents as may be
18 necessary and to fix the compensation of such employees and agents;

19 (4) To adopt, amend, and repeal bylaws, rules, and regulations for
20 the regulation of its affairs and for the conduct of its business;

21 (5) To acquire, lease, own, maintain, and operate for public service
22 a public transit system, excluding taxicabs, transportation network
23 companies, and interstate railroad systems, within any municipality in
24 which such authority (a) is deemed to have operating jurisdiction
25 pursuant to section 4 of this act or (b) is permitted to provide service
26 under the Regional Metropolitan Transit Authority Act;

27 (6) To sue and be sued in its own name, but execution shall not, in
28 any case, issue against any of its property, except that the lessor,
29 vendor, or trustee under any agreement, lease, conditional sales
30 contract, conditional lease contract, or equipment trust certificate, as
31 provided for in subdivision (15) of this section, may repossess the

1 equipment described therein upon default;

2 (7) To acquire, lease, and hold such real or personal property
3 wherever located and any rights, interests, or easements therein as may
4 be necessary or convenient for the purpose of the authority, including,
5 but not limited to, the acquisition, leasing, and holding of any real
6 property along a planned future public transit route, and to sell,
7 assign, and convey such property;

8 (8) To make and enter into any and all contracts and agreements with
9 (a) any individual, (b) any public or private corporation or agency of
10 the State of Nebraska, (c) any public or private corporation or agency of
11 any state of the United States that is adjacent to any municipality or
12 municipalities (i) which form the authority in which such authority has
13 operating jurisdiction pursuant to section 4 of this act or (ii) in which
14 such authority may otherwise be operating or providing service, and (d)
15 the United States Government, as may be necessary or incidental to the
16 performance of the duties of the authority and the execution of its
17 powers under the Regional Metropolitan Transit Authority Act and to enter
18 into agreements under the Interlocal Cooperation Act or the Joint Public
19 Agency Act;

20 (9) To contract with an operating and management company for the
21 purpose of operating, servicing, and maintaining any public transit
22 system of the authority;

23 (10) To borrow money and issue and sell negotiable revenue bonds,
24 notes, or other evidence of indebtedness, to provide for the rights of
25 the holders thereof, and to pledge all or any part of the income of the
26 authority received under the Regional Metropolitan Transit Authority Act
27 to secure the payment thereof;

28 (11) To receive and accept from the United States Government or any
29 agency thereof, from the State of Nebraska or any subdivision thereof,
30 and from any person or corporation, donations or loans or grants for or
31 in aid of the acquisition or operation of public transit facilities, and

1 to administer, hold, use, and apply the same for the purposes for which
2 such grants or donations may have been made;

3 (12) To exercise the right of eminent domain under and pursuant to
4 the laws of the State of Nebraska to acquire private property, including
5 any existing private passenger transportation system, but excluding any
6 taxicabs, transportation network companies, railroads, and air passenger
7 transportation systems, which is necessary for the public transit
8 purposes of the authority, including the right to acquire rights and
9 easements across, under, or over the rights-of-way of any railroad.
10 Exercise of the right of eminent domain shall be pursuant to sections
11 76-704 to 76-724;

12 (13) To use for transportation of passengers and services or
13 improvements related to such transportation, any public road, public
14 street, or other public way in any municipality in which such authority
15 is (a) deemed to have operating jurisdiction pursuant to section 4 of
16 this act or (b) permitted to provide service under the Regional
17 Metropolitan Transit Authority Act, subject in all cases to the
18 continuing rights of the public to the use thereof;

19 (14) To purchase and dispose of equipment and to execute any
20 agreement, lease, conditional sales contract, conditional lease contract,
21 or equipment trust note or certificate to effect such purpose;

22 (15) To pay for any equipment and rentals in installments and to
23 give evidence by equipment trust notes or certificates of any deferred
24 installments. Title to such equipment need not vest in the authority
25 until the equipment trust notes or certificates are paid;

26 (16) To levy an annual property tax pursuant to section 22 of this
27 act for the fiscal year commencing on the following January 1, not to
28 exceed in any one year ten cents on each one hundred dollars on the
29 taxable value of the taxable property that at the time of the levy is
30 located in, or during the ensuing fiscal year will be located in, any
31 municipality in which such authority is deemed to have operating

1 jurisdiction pursuant to section 4 of this act;

2 (17) To apply for and accept grants and loans from the United States
3 Government, or any agency or instrumentality thereof, to be used for any
4 of the authorized purposes of the authority, and to enter into any
5 agreement with the United States Government, or any agency or
6 instrumentality thereof, in relation to such grants or loans, subject to
7 the Regional Metropolitan Transit Authority Act;

8 (18) To determine routes of any public transit system of the
9 authority and to change such routes subject to the Regional Metropolitan
10 Transit Authority Act;

11 (19) To fix rates, fares, and charges for any public transit system
12 and related facilities of the authority;

13 (20) To provide free transportation for firefighters and police
14 officers in uniform in the municipality or municipalities served by the
15 authority in which they are employed or upon presentation of proper
16 firefighter or police officer identification and for employees of such
17 authority when in uniform;

18 (21) To enter into agreements with the United States Postal Service
19 or its successors for the transportation of mail and letter carriers and
20 the payment therefor;

21 (22) To exercise all powers usually granted to corporations, public
22 and private, necessary or convenient to carry out the powers granted by
23 the Regional Metropolitan Transit Authority Act; and

24 (23) To establish pension and retirement plans for officers and
25 employees and to adopt any existing pension and retirement plans and any
26 existing pension and retirement contracts for officers and employees of
27 any passenger transportation system purchased or otherwise acquired
28 pursuant to the Regional Metropolitan Transit Authority Act.

29 Sec. 13. The revenue derived from rates, fares, and charges fixed
30 under subdivision (19) of section 12 of this act, from property taxes
31 levied pursuant to section 22 of this act, from any grants or loans

1 received under subdivision (17) of section 12 of this act, and from any
2 donations or other funds received from other sources shall at all times
3 be sufficient in the aggregate to provide for the payment of (1) all
4 operating costs of the regional metropolitan transit authority, (2)
5 interest on the principal of all revenue bonds, revenue certificates,
6 equipment trust notes or certificates, and other obligations of the
7 authority, and all other charges upon such revenue as may be provided by
8 any trust agreement executed by such authority in connection with the
9 issuance of revenue bonds or certificates under the Regional Metropolitan
10 Transit Authority Act, and (3) any other costs and charges, acquisitions,
11 installations, replacements, or reconstruction of equipment, structures,
12 or rights-of-way not financed through the issuance of revenue bonds or
13 certificates.

14 Sec. 14. (1) Beginning on the first December 31 following the date
15 of the conversion of a transit authority established under the Transit
16 Authority Law into a regional metropolitan transit authority, and each
17 December 31 thereafter, for a retirement plan established pursuant to
18 subdivision (23) of section 12 of this act or pursuant to subdivision
19 (24) of section 14-1805 by any regional metropolitan transit authority
20 which is a defined benefit plan, the chairperson of the board or his or
21 her designee shall prepare and electronically file an annual report with
22 the Auditor of Public Accounts and the Nebraska Retirement Systems
23 Committee of the Legislature. The report shall be on a form prescribed by
24 the Auditor of Public Accounts and shall include, but not be limited to,
25 the following information:

26 (a) The levels of benefits of participants in the plan, the number
27 of members who are eligible for a benefit, the total present value of
28 such members' benefits, and the funding sources which will pay for such
29 benefits; and

30 (b) A copy of a full actuarial analysis of each such defined benefit
31 plan. The analysis shall be prepared by an independent private

1 organization or public entity employing actuaries who are members in good
2 standing of the American Academy of Actuaries, and which organization or
3 entity has demonstrated expertise to perform this type of analysis and is
4 unrelated to any organization which offers investment advice or provides
5 investment management services to the retirement plan.

6 (2) The Auditor of Public Accounts may prepare a review of such
7 report pursuant to section 84-304.02 but is not required to do so. If the
8 authority does not submit a copy of the report to the Auditor of Public
9 Accounts within six months after the end of the plan year, the Auditor of
10 Public Accounts may audit, or cause to be audited, the authority. All
11 costs of the audit shall be paid by the authority.

12 Sec. 15. (1) A regional metropolitan transit authority shall have
13 the continuing power to borrow money for the purpose of acquiring any
14 transportation system and necessary cash or working funds, for
15 reconstructing, extending, or improving any public transit system of the
16 authority or any part thereof, and for acquiring any property and
17 equipment useful for the reconstruction, extension, improvement, and
18 operation of any public transit system of the authority or any part
19 thereof.

20 (2) For purposes of evidencing the obligation of the authority to
21 repay any money borrowed under this section, the authority may, pursuant
22 to resolution adopted by the board from time to time, issue and dispose
23 of its interest-bearing revenue bonds or certificates. The authority may
24 also from time to time issue and dispose of its interest-bearing revenue
25 bonds or certificates to refund any revenue bonds or certificates at
26 maturity, or pursuant to redemption provisions, or at any time before
27 maturity with the consent of the holders thereof.

28 (3) All such revenue bonds and certificates shall be payable solely
29 from the revenue or income to be derived from the public transit system
30 and related facilities, including, but not limited to, the revenue
31 derived from rates, fares, and charges fixed under subdivision (19) of

1 section 12 of this act, from property taxes levied pursuant to section 22
2 of this act, from any grants or loans received under subdivision (17) of
3 section 12 of this act, and from any donations or other funds received
4 from other sources. Such revenue bonds and certificates may bear such
5 date or dates, may mature at such time or times as may be fixed by the
6 board, may bear interest at such rate or rates as may be fixed by the
7 board, payable semiannually, may be in such form, may carry such
8 registration privileges, may be executed in such manner, may be payable
9 at such place or places, may be made subject to redemption in such manner
10 and upon such terms with or without premium as is stated on the face
11 thereof, may be authenticated in such manner, and may contain such terms
12 and covenants as may be provided in such resolution. Notwithstanding the
13 form or tenor thereof, and in the absence of an express recital on the
14 face thereof that they are nonnegotiable, all such revenue bonds and
15 certificates shall be negotiable instruments.

16 (4) Pending the preparation and execution of any such revenue bonds
17 or certificates, temporary bonds or certificates may be issued with or
18 without interest coupons as may be provided by resolution of the board.
19 To secure the payment of any or all of such temporary bonds or
20 certificates, and for the purpose of setting forth the covenants and
21 undertakings of the authority in connection with the issuance thereof and
22 the issuance of any additional temporary bonds or certificates, as well
23 as the use and application of the revenue or income to be derived from
24 the public transit system, from property taxes levied, and from any
25 grants or loans, as provided in the Regional Metropolitan Transit
26 Authority Act, the authority may execute and deliver a trust agreement or
27 agreements. No lien upon any physical property of the authority shall be
28 created by such trust agreement or agreements. A remedy for any breach or
29 default of the terms of any such trust agreement by the authority may be
30 by mandamus or other appropriate proceedings in any court of competent
31 jurisdiction to compel performance and compliance therewith. The trust

1 agreement may prescribe by whom or on whose behalf such action may be
2 instituted.

3 Sec. 16. Under no circumstances shall any revenue bonds or
4 certificates issued by a regional metropolitan transit authority or any
5 other obligation of such authority be or become an indebtedness or
6 obligation of the State of Nebraska, or of any other political
7 subdivision or body corporate and politic or of any municipality within
8 the state, nor shall any such revenue bond, certificate, or obligation be
9 or become an indebtedness of the authority within the purview of any
10 constitutional limitation or provision, and it shall be plainly stated on
11 the face of each revenue bond and certificate that it does not constitute
12 such an indebtedness or obligation but is payable solely from revenue and
13 income and other sources of revenue of such authority as provided in
14 subsection (3) of section 15 of this act.

15 Sec. 17. Before any revenue bonds or certificates, excepting
16 refunding bonds or certificates, are sold pursuant to section 15 of this
17 act, the entire authorized issue, or any part thereof, shall be offered
18 for sale as a unit after advertising for bids at least three times in a
19 legal newspaper in or of general circulation in the municipality or
20 municipalities served by the regional metropolitan transit authority, the
21 last publication to be at least ten days before bids are required to be
22 filed. Copies of such advertisement may also be published in any
23 newspaper or financial publication in the United States. All bids shall
24 be sealed, filed, and opened as provided by resolution adopted by the
25 board, and the revenue bonds or certificates shall be awarded to the
26 highest and best bidder or bidders therefor. The authority shall have the
27 right to reject all bids and readvertise for bids in the manner provided
28 for in the initial advertisement. If no bids are received, such revenue
29 bonds or certificates may be sold at the best possible price according to
30 the discretion of the board, without further advertising, and within
31 thirty days after the bids are required to be filed pursuant to any

1 advertisement.

2 Sec. 18. (1) Revenue bonds issued by a regional metropolitan
3 transit authority under the Regional Metropolitan Transit Authority Act
4 are hereby made securities in which (a) the state and all its political
5 subdivisions and their officers, boards, commissions, departments, or
6 other agencies, (b) all banks, bankers, savings banks, trust companies,
7 savings and loan associations, investment companies, insurance
8 associations, and other persons carrying on an insurance business, (c)
9 all administrators, executors, guardians, trustees, and other
10 fiduciaries, and (d) all other persons whatsoever who now are or may
11 hereafter be authorized to invest in bonds or other obligation of the
12 state, may properly and legally invest any funds, including capital
13 belonging to them or within their control.

14 (2) Such revenue bonds or other securities or obligations are hereby
15 made securities which may properly and legally be deposited with and
16 received by any state or municipal officer or any agency of the state for
17 any purpose for which the deposit of bonds or other obligations of the
18 state is authorized by law.

19 Sec. 19. All property of a regional metropolitan transit authority
20 created pursuant to the Regional Metropolitan Transit Authority Act, all
21 such authority's revenue, income, and operations, and all such
22 authority's revenue bonds and equipment trust notes or certificates shall
23 be exempt from any and all forms of assessment and taxation by the state
24 or any political subdivision thereof.

25 Sec. 20. (1) A regional metropolitan transit authority may purchase
26 equipment, may execute agreements, leases, conditional sales contracts,
27 conditional lease contracts, and equipment trust notes or certificates in
28 the form customarily used in such cases appropriate to effect such
29 purchase, and may dispose of such equipment trust notes or certificates.
30 All money required to be paid by the authority under such agreements,
31 leases, and equipment trust notes or certificates shall be payable solely

1 from the revenue or income to be derived from the public transit system
2 and related facilities of the authority, including, without limitation,
3 the revenue derived from rates, fares, and charges fixed under
4 subdivision (19) of section 12 of this act, from property taxes levied
5 pursuant to section 22 of this act, from any grants or loans received
6 under subdivision (17) of section 12 of this act, and from any donations
7 or other funds received from other sources. Payment for such equipment,
8 or rentals therefor, may be made in installments, and the deferred
9 installments may be evidenced by equipment trust notes or certificates
10 payable solely from such sources of income, and title to such equipment
11 need not vest in the authority until the equipment trust notes or
12 certificates are paid, but when payment is accomplished the equipment
13 title shall vest in the authority.

14 (2) Any such agreement to purchase equipment may direct the vendor
15 to sell and assign the equipment to a bank or trust company, duly
16 authorized to transact business in the State of Nebraska, as trustee, for
17 the benefit and security of the equipment trust notes or certificates,
18 may direct the trustee to deliver the equipment to one or more designated
19 officers of the authority, and may authorize the trustee simultaneously
20 therewith to execute and deliver a lease of the equipment to the
21 authority.

22 (3) Any such agreements, leases, contracts, or equipment trust notes
23 or certificates shall be duly acknowledged before some person authorized
24 by law to take acknowledgments of deeds, and in the form required for
25 acknowledgment of deeds, and such agreements, leases, contracts, and
26 equipment trust notes or certificates shall be authorized by resolution
27 of the board and shall contain such covenants, conditions, and provisions
28 as may be deemed necessary or appropriate to insure the payment of the
29 equipment trust notes or certificates from the revenue and income of the
30 authority.

31 (4) The covenants, conditions, and provisions of such agreements,

1 leases, contracts, and equipment trust notes or certificates shall not
2 conflict with any of the provisions of any trust agreement securing the
3 payment of revenue bonds or certificates of the authority.

4 Sec. 21. (1) At least thirty days prior to the beginning of the
5 first full fiscal year following the effective date of the conversion of
6 a transit authority established under the Transit Authority Law into a
7 regional metropolitan transit authority, the board shall establish a
8 fiscal operating year, and annually thereafter the board shall cause to
9 be prepared a tentative budget which shall include all operation and
10 maintenance expenses for the ensuing fiscal year. The tentative budget
11 shall be considered by the board and, subject to any revision and
12 amendments adopted by the board, shall be adopted prior to the first day
13 of the ensuing fiscal year as the budget for that year. No expenditure
14 for operations and maintenance in excess of the budget shall be made
15 during any fiscal year except by a two-thirds vote of the board. It shall
16 not be necessary to include in the annual budget any statement of
17 interest or principal payments on revenue bonds or certificates or for
18 capital outlays, but the board shall make provision for payment of the
19 same from appropriate funds.

20 (2) As soon after the end of each fiscal year as practicable, the
21 board shall cause to be prepared and printed a complete and detailed
22 report and financial statement of its operations and of its assets and
23 liabilities. A reasonably sufficient number of copies of such report
24 shall be printed for distribution to persons interested upon request, and
25 a copy shall be mailed to the mayor of the city or chairperson of the
26 village board of trustees and the governing body of the municipality or
27 municipalities that form the authority.

28 Sec. 22. (1) To assist in defraying the expenses of a regional
29 metropolitan transit authority, and to such extent as in its discretion
30 and judgment may be necessary, the board shall annually certify a tax
31 levy for the fiscal year commencing on the following January 1. Such levy

1 shall not exceed in any one year ten cents on each one hundred dollars on
2 the taxable value of the taxable property that at the time of the levy is
3 located in or during the ensuing fiscal year will be located in any
4 municipality in which such authority shall be deemed to have operating
5 jurisdiction pursuant to section 4 of this act.

6 (2) The board shall by resolution, on or before September 20 of each
7 year, certify such tax levy to the county assessor of the county or
8 counties in which the authority operates. If in any year the full amount
9 so certified and collected is not needed for the current purposes of such
10 authority, the balance shall be credited to the operating fund of such
11 authority and, as the board in its discretion deems convenient, to other
12 reserve funds of such authority.

13 Sec. 23. The board shall adopt rules and regulations governing the
14 operation of any public transit system of the regional metropolitan
15 transit authority and shall determine all routes of such system. The
16 board shall, subject to subdivision (19) of section 12 of this act, fix
17 all rates, fares, and charges for transportation on such system.

18 Sec. 24. (1) The board shall, as promptly as possible,
19 rehabilitate, reconstruct, and modernize all portions of any
20 transportation system acquired by the regional metropolitan transit
21 authority, maintain at all times an adequate and modern public transit
22 system suitable and adapted to the needs of the municipality or
23 municipalities that form such authority, and provide for safe,
24 comfortable, convenient, and expeditious transit service.

25 (2) To ensure a modern, attractive public transit system, the board
26 may establish a depreciation policy which makes provision for the
27 continuous and prompt replacement of worn out and obsolete property. The
28 board may make provision for such depreciation of property as is not
29 offset by current expenditures for maintenance, repairs, and replacements
30 under such rules and regulations as may be prescribed by the board.

31 Sec. 25. (1) The board may negotiate and enter into written

1 contracts with the employees of a regional metropolitan transit authority
2 through accredited representatives of such employees or representatives
3 of any labor organization authorized to act for such employees concerning
4 wages, salaries, hours, and general working conditions. All employees of
5 all classes serving any passenger transportation company at the time of
6 its acquisition by such authority shall continue in their respective
7 positions and at their respective compensation for three months after any
8 such acquisition. Thereafter, the board shall exercise its discretion as
9 to retention of and compensation of all classes, except that the terms
10 and conditions of any existing collective-bargaining agreement between
11 any passenger transportation company acquired by such authority and its
12 employees shall be recognized and accepted by the board.

13 (2) Nothing contained in this section shall be construed to amend,
14 alter, modify, or affect in any way whatsoever the provisions of any
15 collective-bargaining agreement or the employment relationship between
16 the authority and any of its officers or other employees, whether or not
17 such employees are members of a collective-bargaining unit, including,
18 but not limited to, the terms of any deferred compensation, pension, or
19 retirement plans.

20 Sec. 26. Section 13-503, Revised Statutes Cumulative Supplement,
21 2018, is amended to read:

22 13-503 For purposes of the Nebraska Budget Act, unless the context
23 otherwise requires:

24 (1) Governing body means the governing body of any county
25 agricultural society, elected county fair board, joint airport authority
26 formed under the Joint Airport Authorities Act, city or county airport
27 authority, bridge commission created pursuant to section 39-868, cemetery
28 district, city, village, municipal county, community college, community
29 redevelopment authority, county, drainage or levee district, educational
30 service unit, rural or suburban fire protection district, historical
31 society, hospital district, irrigation district, learning community,

1 natural resources district, nonprofit county historical association or
2 society for which a tax is levied under subsection (1) of section
3 23-355.01, public building commission, railroad transportation safety
4 district, reclamation district, road improvement district, rural water
5 district, school district, sanitary and improvement district, township,
6 offstreet parking district, transit authority, regional metropolitan
7 transit authority, metropolitan utilities district, Educational Service
8 Unit Coordinating Council, and political subdivision with the authority
9 to have a property tax request, with the authority to levy a toll, or
10 that receives state aid;

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

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

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

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

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

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

29 (8) Adopted budget statement means a proposed budget statement which
30 has been adopted or amended and adopted as provided in section 13-506.
31 Such term shall include additions, if any, to an adopted budget statement

1 made by a revised budget which has been adopted as provided in section
2 13-511;

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

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

15 (11) Biennial budget means (a) a budget by a city of the primary or
16 metropolitan class that adopts a charter provision providing for a
17 biennial period to determine and carry on the city's financial and taxing
18 affairs, (b) a budget by a city of the first or second class or village
19 that provides for a biennial period to determine and carry on the city's
20 or village's financial and taxing affairs, or (c) a budget by a natural
21 resources district that provides for a biennial period to determine and
22 carry on the natural resources district's financial and taxing affairs.

23 Sec. 27. Section 13-519, Revised Statutes Cumulative Supplement,
24 2018, is amended to read:

25 13-519 (1)(a) Subject to subdivisions (1)(b) and (c) of this
26 section, for all fiscal years beginning on or after July 1, 1998, no
27 governmental unit shall adopt a budget containing a total of budgeted
28 restricted funds more than the last prior year's total of budgeted
29 restricted funds plus allowable growth plus the basic allowable growth
30 percentage of the base limitation established under section 77-3446. For
31 the second fiscal year in which a county will receive a full year of

1 receipts from the tax imposed in sections 77-27,223 to 77-27,227, the
2 prior year's total of restricted funds shall be the prior year's total of
3 restricted funds plus the total receipts from the tax imposed in sections
4 77-27,223 to 77-27,227 in the prior year. If a governmental unit
5 transfers the financial responsibility of providing a service financed in
6 whole or in part with restricted funds to another governmental unit or
7 the state, the amount of restricted funds associated with providing the
8 service shall be subtracted from the last prior year's total of budgeted
9 restricted funds for the previous provider and may be added to the last
10 prior year's total of restricted funds for the new provider. For
11 governmental units that have consolidated, the calculations made under
12 this section for consolidating units shall be made based on the combined
13 total of restricted funds, population, or full-time equivalent students
14 of each governmental unit.

15 (b) For all fiscal years beginning on or after July 1, 2008,
16 educational service units may exceed the limitations of subdivision (1)
17 (a) of this section to the extent that one hundred ten percent of the
18 needs for the educational service unit calculated pursuant to section
19 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to
20 subdivision (1)(a) of this section.

21 (c) For fiscal year 2017-18, the last prior year's total of
22 restricted funds for counties shall be the last prior year's total of
23 restricted funds less the last prior year's restricted funds budgeted by
24 counties under sections 39-2501 to 39-2520, plus the last prior year's
25 amount of restricted funds budgeted by counties under sections 39-2501 to
26 39-2520 to be used for capital improvements.

27 (d) The limitations of subdivision (1)(a) of this section shall not
28 apply to the budget or budget statement adopted by a regional
29 metropolitan transit authority for the first five fiscal years commencing
30 on the January 1 that follows the effective date of the conversion of the
31 transit authority established under the Transit Authority Law into a

1 regional metropolitan transit authority.

2 (2) A governmental unit may exceed the limit provided in subdivision
3 (1)(a) of this section for a fiscal year by up to an additional one
4 percent upon the affirmative vote of at least seventy-five percent of the
5 governing body.

6 (3) A governmental unit may exceed the applicable allowable growth
7 percentage otherwise prescribed in this section by an amount approved by
8 a majority of legal voters voting on the issue at a special election
9 called for such purpose upon the recommendation of the governing body or
10 upon the receipt by the county clerk or election commissioner of a
11 petition requesting an election signed by at least five percent of the
12 legal voters of the governmental unit. The recommendation of the
13 governing body or the petition of the legal voters shall include the
14 amount and percentage by which the governing body would increase its
15 budgeted restricted funds for the ensuing year over and above the current
16 year's budgeted restricted funds. The county clerk or election
17 commissioner shall call for a special election on the issue within thirty
18 days after the receipt of such governing body recommendation or legal
19 voter petition. The election shall be held pursuant to the Election Act,
20 and all costs shall be paid by the governing body. The issue may be
21 approved on the same question as a vote to exceed the levy limits
22 provided in section 77-3444.

23 (4) In lieu of the election procedures in subsection (3) of this
24 section, any governmental unit may exceed the allowable growth percentage
25 otherwise prescribed in this section by an amount approved by a majority
26 of legal voters voting at a meeting of the residents of the governmental
27 unit, called after notice is published in a newspaper of general
28 circulation in the governmental unit at least twenty days prior to the
29 meeting. At least ten percent of the registered voters residing in the
30 governmental unit shall constitute a quorum for purposes of taking action
31 to exceed the allowable growth percentage. If a majority of the

1 registered voters present at the meeting vote in favor of exceeding the
2 allowable growth percentage, a copy of the record of that action shall be
3 forwarded to the Auditor of Public Accounts along with the budget
4 documents. The issue to exceed the allowable growth percentage may be
5 approved at the same meeting as a vote to exceed the limits or final levy
6 allocation provided in section 77-3444.

7 Sec. 28. Section 13-1205, Revised Statutes Cumulative Supplement,
8 2018, is amended to read:

9 13-1205 The department shall have the following powers, duties, and
10 responsibilities:

11 (1) To collect and maintain data on the level of public
12 transportation services and needs in the state and identify areas not
13 being adequately served by existing public or private transportation
14 services;

15 (2) To assess the regional and statewide effect of changes,
16 improvement, and route abandonments in the state's public transportation
17 system;

18 (3) To develop a six-year statewide transit plan and programs for
19 public transportation in coordination with local plans and programs
20 developed by municipalities, counties, ~~and~~ transit authorities, and
21 regional metropolitan transit authorities;

22 (4) To provide planning and technical assistance to agencies of the
23 state, political subdivisions, or groups seeking to improve public
24 transportation;

25 (5) To advise, consult, and cooperate with agencies of the state,
26 the federal government, and other states, interstate agencies, political
27 subdivisions, and groups concerned with public transportation;

28 (6) To cooperate with the Public Service Commission by providing
29 periodic assessments to the commission when determining the effect of
30 proposed regulatory decisions on public transportation;

31 (7) To administer federal and state programs providing financial

1 assistance to public transportation, except those federal and state
2 programs in which a municipality, county, transit authority, regional
3 metropolitan transit authority, or other state agency is designated as
4 the administrator; and

5 (8) To exercise all other powers necessary and proper for the
6 discharge of its duties, including the adoption and promulgation of
7 reasonable rules and regulations to carry out the Nebraska Public
8 Transportation Act act.

9 Sec. 29. Section 13-1209, Revised Statutes Cumulative Supplement,
10 2018, is amended to read:

11 13-1209 (1) A public transportation assistance program is hereby
12 established to provide state assistance for the capital acquisition and
13 operating costs of public transportation systems.

14 (2) Any municipality, county, transit authority, regional
15 metropolitan transit authority, or qualified public-purpose organization
16 shall be eligible to receive financial assistance for the eligible
17 capital acquisition and operating costs of a public transportation
18 system, whether the applicant directly operates such system or contracts
19 for its operation. A qualified public-purpose organization shall not be
20 eligible for financial assistance under the Nebraska Public
21 Transportation Act if such organization is currently receiving state
22 funds for a program which includes transportation services and such
23 funding and services would be duplicated by the act. Eligible operating
24 costs include those expenses incurred in the operation of a public
25 transportation system which exceed the amount of operating revenue and
26 which are not otherwise eligible for reimbursement from any available
27 federal programs other than those administered by the United States
28 Department of the Treasury. Eligible capital acquisition costs include
29 investments in the purchase, replacement, and rebuilding of buses and
30 other vehicles used for public transportation.

31 (3) The state grant to an applicant shall not exceed fifty percent

1 of the eligible capital acquisition or operating costs of the public
2 transportation system as provided for in subsection (2) of this section.
3 The amount of state funds shall be matched by an equal amount of local
4 funds in support of capital acquisition or operating costs.

5 Sec. 30. Section 13-1213, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-1213 (1) An intercity bus system assistance program is hereby
8 established to provide state assistance for the operation of intercity
9 bus systems.

10 (2) Any municipality, county, transit authority, regional
11 metropolitan transit authority, or qualified public-purpose organization
12 shall be eligible to receive (a) financial assistance for the eligible
13 operating costs of such system, whether the applicant directly operates
14 the system or contracts for its operation, and (b) financial assistance
15 to match federal funds available for the purchase of vehicles and
16 equipment for the start of an intercity bus system or the replacement of
17 vehicles used in the operation of an intercity bus system. The vehicles
18 shall be titled to such municipality, county, transit authority, regional
19 metropolitan transit authority, or qualified public-purpose organization.

20 (3) The department may contract for an intercity bus system with
21 either a publicly owned provider or a provider owned by a qualified
22 public-purpose organization.

23 (4) Any intercity bus system to be funded under this section shall
24 be selected based on criteria established by the department.

25 Sec. 31. Section 13-2202, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 13-2202 For purposes of the Local Government Miscellaneous
28 Expenditure Act:

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

31 (2) Governing body shall mean, in the case of a city of any class,

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

18 (3) Local government shall mean cities of any class, villages,
19 cemetery districts, community hospitals for two or more adjoining
20 counties, county hospitals, road improvement districts, counties,
21 townships, sanitary drainage districts, sanitary and improvement
22 districts, school districts, rural or suburban fire protection districts,
23 reclamation districts, natural resources districts, regional metropolitan
24 transit authorities, hospital districts, health districts, educational
25 service units, community colleges, airport authorities, weed control
26 authorities, county agricultural 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. 32. Section 13-2401, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-2401 (1) For purposes of this section:

11 (a) Political subdivision includes villages, cities of all classes,
12 counties, municipal counties, school districts, and all other units of
13 local government, including entities created pursuant to the Interlocal
14 Cooperation Act or Joint Public Agency Act. Political subdivision does
15 not include any contractor with a political subdivision;

16 (b) Receiving entity means a political subdivision which receives
17 transferred employees from a separate political subdivision; and

18 (c) Transferring entity means a political subdivision which is
19 transferring employees to a separate political subdivision.

20 (2) For transfers involving a retirement system which maintains a
21 defined benefit plan, the transfer value of the transferring employee's
22 accrued benefit shall be calculated by one or both of the retirement
23 systems involved as follows:

24 (a) If the retirement system of the transferring entity maintains a
25 defined benefit plan, an initial benefit transfer value of the employee's
26 accrued benefit shall be determined by calculating the present value of
27 the employee's retirement benefit based on the employee's years of
28 service as of the date of transfer and the other actuarial assumptions of
29 the retirement system of the transferring entity so that the effect on
30 the retirement system of the transferring entity will be actuarially
31 neutral; and

1 (b) If the retirement system of the receiving entity maintains a
2 defined benefit plan, the final benefit transfer value of the employee's
3 accrued benefit shall be determined by calculating the present value of
4 the employee's retirement benefit as if the employee were employed on the
5 date of transfer and had completed the same amount of service with the
6 same compensation as the employee actually completed at the transferring
7 entity prior to transfer. The calculation shall then be based on the
8 employee's assumed years of service as of the date of transfer and the
9 other actuarial assumptions of the retirement system of the receiving
10 entity so that the effect on the retirement system of the receiving
11 entity will be actuarially neutral.

12 (3) A full-time or part-time employee of a transferring entity who
13 becomes an employee of a receiving entity pursuant to a merger of
14 services shall receive credit for his or her years of participation in
15 the retirement system of the transferring entity for purposes of
16 membership in the retirement system of the receiving entity.

17 (4) An employee referred to in subsection (3) of this section shall
18 have his or her participation in the retirement system of the
19 transferring entity transferred to the retirement system of the receiving
20 entity through one of the following options:

21 (a) If the retirement system of the receiving entity maintains a
22 defined contribution plan, the employee shall transfer all of his or her
23 funds by paying to the retirement system of the receiving entity from
24 funds held by the retirement system of the transferring entity an amount
25 equal to one of the following: (i) If the retirement system of the
26 transferring entity maintains a defined benefit plan, an amount not to
27 exceed the initial benefit transfer value, leaving no funds attributable
28 to the transferred employee within the retirement system of the
29 transferring entity, or (ii) if the retirement system of the transferring
30 entity maintains a defined contribution plan, an amount not to exceed the
31 employee and employer accounts of the transferring employee plus earnings

1 during the period of employment with the transferring entity. The
2 employee shall receive eligibility and vesting credit for his or her
3 years of service in a governmental plan, as defined in section 414(d) of
4 the Internal Revenue Code, maintained by the transferring entity. Payment
5 shall be made within five years after employment begins with the
6 receiving entity or prior to retirement, whichever comes first, and may
7 be made through direct payment, installment payments, or an irrevocable
8 payroll deduction authorization; or

9 (b) If the retirement system of the receiving entity maintains a
10 defined benefit plan, the employee shall transfer all of his or her funds
11 out of the retirement system of the transferring entity to purchase
12 service credits that will generate a final benefit transfer value not to
13 exceed the employee's initial benefit transfer value in the retirement
14 system of the transferring entity. After such purchase, the employee
15 shall receive eligibility and vesting credit in the retirement system of
16 the receiving entity for his or her years of service in a governmental
17 plan, as defined in section 414(d) of the Internal Revenue Code,
18 maintained by the transferring entity. The amount to be paid by the
19 member for such service credit shall equal the actuarial cost to the
20 retirement system of the receiving entity for allowing such additional
21 service credit to the employee. If any funds remain in the retirement
22 system of the transferring entity after the employee has purchased
23 service credits in the retirement system of the receiving entity, such
24 remaining funds shall be rolled over into another qualified trust under
25 section 401(a) of the Internal Revenue Code, an individual retirement
26 account, or an individual retirement annuity. Payment shall be made
27 within five years after the transfer of services, but prior to
28 retirement, and may be made through direct payment, installment payments,
29 or an irrevocable payroll deduction authorization.

30 (5) The transferring entity, the receiving entity, and the employees
31 who are being transferred may by binding agreement determine which

1 parties will provide funds to pay any amount needed to purchase
2 creditable service in the retirement system of the receiving entity
3 sufficient to provide a final benefit transfer value not to exceed the
4 employee's initial benefit transfer value, if the amount of a direct
5 rollover from the retirement system of the transferring entity is not
6 sufficient to provide a final benefit transfer value in the retirement
7 system of the receiving entity.

8 (6) The retirement system of the receiving entity may accept cash
9 rollover contributions from a member who is making payment pursuant to
10 this section if the contributions do not exceed the amount of payment
11 required for the service credits purchased by the member and the
12 contributions represent (a) all or any portion of the balance of the
13 member's interest in a qualified trust under section 401(a) of the
14 Internal Revenue Code or (b) the interest of the member from an
15 individual retirement account or an individual retirement annuity, all of
16 which is attributable to a qualified total distribution, as defined in
17 the Internal Revenue Code, from a qualified trust under section 401(a) of
18 the code and qualified as a tax-free rollover amount. The member's
19 interest under subdivision (a) or (b) of this subsection must be
20 transferred to the retirement system within sixty days after the date of
21 the distribution from the qualified trust, individual retirement account,
22 or individual retirement annuity.

23 (7) Cash transferred to the retirement system of the receiving
24 entity as a rollover contribution shall be deposited as other
25 contributions.

26 (8) The retirement system of the receiving entity may accept direct
27 rollover distributions made from a qualified trust pursuant to section
28 401(a)(31) of the Internal Revenue Code. The direct rollover distribution
29 shall be deposited as all other payments under this section.

30 (9) The receiving entity or its retirement system shall adopt
31 provisions defining procedures for acceptance of rollovers which are

1 consistent with sections 401(a)(31) and 402 of the Internal Revenue Code.

2 (10) Any retirement system authorized pursuant to section 14-1805,
3 15-1017, 16-1004, 16-1023, 19-3501, 23-1118, or 23-2330.04 or section 12
4 of this act or any retirement system for a city of the metropolitan class
5 authorized pursuant to home rule charter shall be modified to conform
6 with this section prior to any merger of service involving such system.

7 Sec. 33. Section 14-1803, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 14-1803 ~~(1) Whenever in this state a city of the metropolitan~~
10 ~~class, a county in which such city is located, one or more adjacent~~
11 ~~counties, and any city or village located in such counties are served in~~
12 ~~whole or in part by a common transit system, owned and controlled by a~~
13 ~~city of the metropolitan class as provided for in the Transit Authority~~
14 ~~Law, then the territory within the limits of the city of the metropolitan~~
15 ~~class and such counties, cities, or villages, including any counties,~~
16 ~~cities, and villages that may be now or hereafter served in whole or in~~
17 ~~part by the common transit system, shall form and constitute a transit~~
18 ~~authority. No county, city, or village shall become a part of the transit~~
19 ~~authority except upon approval of the governing body of the county, city,~~
20 ~~or village and formal approval and proclamation by the board of directors~~
21 ~~of the transit authority.~~

22 (1) ~~(2)~~ Any city of the metropolitan class may create by ordinance a
23 transit authority to be managed and controlled by a board of five members
24 which shall be appointed as provided in section 14-1813 and shall have
25 full and exclusive jurisdiction and control over all facilities owned or
26 acquired by such city for a public passenger transportation system. The
27 governing body of such city, in the exercise of its discretion, shall
28 find and determine in the ordinance creating such transit authority that
29 its creation is expedient and necessary. The chairperson of such transit
30 authority shall be paid as compensation for his or her services not more
31 than six hundred dollars per month. Each other member of such transit

1 authority shall be paid as compensation for his or her services not more
2 than five hundred dollars per month. All salaries and compensation shall
3 be obligations against and paid solely from the revenue of such transit
4 authority. Members of such transit authority shall also be entitled to
5 reimbursement for expenses paid or incurred in the performance of the
6 duties imposed upon them by the Transit Authority Law with reimbursement
7 for mileage to be made at the rate provided in section 81-1176. The board
8 may delegate to one or more of the members or to officers, agents, and
9 employees of the authority such powers and duties as it may deem proper.

10 (2) Any transit authority created pursuant to such law shall have
11 and retain full and exclusive jurisdiction and control over all public
12 passenger transportation systems in such city, ~~county in which such city~~
13 ~~is located, adjacent county, or city or village located in such counties~~
14 ~~served by the authority, excluding taxicabs, transportation network~~
15 companies, and interstate railroad systems in such city, and over all
16 public passenger transportation systems operated by such transit
17 authority in any county, city, or village served by the authority, with
18 the right and duty to charge and collect revenue for the operation and
19 maintenance of such systems and for the benefit of the holders of any of
20 its bonds or other liabilities. Unless such authority elects to convert
21 to a regional metropolitan transit authority under the Regional
22 Metropolitan Transit Authority Act, if If such authority ceases to exist,
23 its rights and properties shall pass to and vest in such city of the
24 metropolitan class.

25 Sec. 34. Section 14-1812, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 14-1812 Unless the authority elects to convert into a regional
28 metropolitan transit authority pursuant to the Regional Metropolitan
29 Transit Authority Act, the The governing body of the authority shall be a
30 board to be known as The Transit Authority of, filling out
31 the blank with the name of the city, which shall consist of five members,

1 to be appointed as provided in section 14-1813. If at any time such
2 authority elects to convert into a regional metropolitan transit
3 authority, then as of the effective date of such conversion, the
4 governing body of a transit authority established under the Transit
5 Authority Law shall become a board known as the Regional Metropolitan
6 Transit Board of (filling out the blank with the name coinciding
7 with the name of the regional metropolitan transit authority determined
8 pursuant to section 4 of this act). Thereafter, notwithstanding any
9 provision in the Transit Authority Law to the contrary, such board shall
10 consist of members as determined under and be governed by and subject to
11 the Regional Metropolitan Transit Authority Act.

12 Sec. 35. Section 32-101, Revised Statutes Cumulative Supplement,
13 2018, is amended to read:

14 32-101 Sections 32-101 to 32-1551 and section 36 of this act shall
15 be known and may be cited as the Election Act.

16 Sec. 36. (1) Members of the board of directors of a regional
17 metropolitan transit authority shall be nominated at the statewide
18 primary election and elected at the statewide general election following
19 the effective date of the conversion of such transit authority
20 established under the Transit Authority Law into a regional metropolitan
21 transit authority as provided in section 8 of this act, and subsequently
22 elected members shall be nominated at subsequent statewide primary
23 elections and elected at subsequent statewide general elections.
24 Candidates for election shall be nominated upon a nonpartisan ballot.

25 (2) Members elected to represent odd-numbered districts in the first
26 election of board members shall be elected for two-year terms. Members
27 elected to represent even-numbered districts in the first election of
28 board members shall be elected for four-year terms. Members elected in
29 subsequent elections shall be elected for four-year terms and until their
30 successors are elected and qualified.

31 (3) Members shall take office on the first Thursday after the first

1 Tuesday in January following their election, except that members
2 appointed to fill vacancies shall take office immediately following
3 administration of the oath of office.

4 Sec. 37. Section 32-567, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 32-567 Vacancies in office shall be filled as follows:

7 (1) In state and judicial district offices and in the membership of
8 any board or commission created by the state when no other method is
9 provided, by the Governor;

10 (2) In county offices, by the county board;

11 (3) In the membership of the county board, by the county clerk,
12 county attorney, and county treasurer;

13 (4) In the membership of the city council, according to section
14 32-568 or 32-569, as applicable;

15 (5) In township offices, by the township board or, if there are two
16 or more vacancies on the township board, by the county board;

17 (6) In offices in public power and irrigation districts, according
18 to section 70-615;

19 (7) In offices in natural resources districts, according to section
20 2-3215;

21 (8) In offices in community college areas, according to section
22 85-1514;

23 (9) In offices in educational service units, according to section
24 79-1217;

25 (10) In offices in hospital districts, according to section 23-3534;

26 (11) In offices in metropolitan utilities districts, according to
27 section 14-2104;

28 (12) In membership on airport authority boards, according to section
29 3-502, 3-611, or 3-703, as applicable;

30 (13) In membership on the board of trustees of a road improvement
31 district, according to section 39-1607;

1 (14) In membership on the council of a municipal county, by the
2 council;~~and~~

3 (15) For learning community coordinating councils, according to
4 section 32-546.01; ~~and~~ -

5 (16) For regional metropolitan transit authority boards, according
6 to section 8 of this act.

7 Sec. 38. Section 32-604, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 32-604 (1) Except as provided in subsection (2) or (4) of this
10 section, no person shall be precluded from being elected or appointed to
11 or holding an elective office for the reason that he or she has been
12 elected or appointed to or holds another elective office.

13 (2) No person serving as a member of the Legislature or in an
14 elective office described in Article IV, section 1 or 20, or Article VII,
15 section 3 or 10, of the Constitution of Nebraska shall simultaneously
16 serve in any other elective office, except that such a person may
17 simultaneously serve in another elective office which is filled at an
18 election held in conjunction with the annual meeting of a public body.

19 (3) Whenever an incumbent serving as a member of the Legislature or
20 in an elective office described in Article IV, section 1 or 20, or
21 Article VII, section 3 or 10, of the Constitution of Nebraska assumes
22 another elective office, except an elective office filled at an election
23 held in conjunction with the annual meeting of a public body, the office
24 first held by the incumbent shall be deemed vacant.

25 (4) No person serving in a high elective office shall simultaneously
26 serve in any other high elective office, except that a county attorney
27 may serve as the county attorney for more than one county if appointed
28 under subsection (2) of section 23-1201.01.

29 (5) Notwithstanding subsection (4) of this section, any person
30 holding more than one high elective office upon July 15, 2010, shall be
31 entitled to serve the remainder of all terms for which he or she was

1 elected or appointed.

2 (6) For purposes of this section, (a) elective office has the
3 meaning found in section 32-109 and includes an office which is filled at
4 an election held in conjunction with the annual meeting of a public body
5 created by an act of the Legislature but does not include a member of a
6 learning community coordinating council appointed pursuant to subsection
7 (5) or (7) of section 32-546.01 prior to January 5, 2017, and (b) high
8 elective office means a member of the Legislature, an elective office
9 described in Article IV, section 1 or 20, or Article VII, section 3 or
10 10, of the Constitution of Nebraska, or a county, city, community college
11 area, learning community, regional metropolitan transit authority, or
12 school district elective office.

13 Sec. 39. Section 32-1203, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 32-1203 (1) Each city, village, school district, public power
16 district, sanitary and improvement district, metropolitan utilities
17 district, fire district, natural resources district, regional
18 metropolitan transit authority, community college area, learning
19 community coordinating council, educational service unit, hospital
20 district, reclamation district, and library board shall pay for the costs
21 of nominating and electing its officers as provided in subsection (2),
22 (3), or (4) of this section. If a special issue is placed on the ballot
23 at the time of the statewide primary or general election by any political
24 subdivision, the political subdivision shall pay for the costs of the
25 election as provided in subsection (2), (3), or (4) of this section. The
26 districts listed in this subsection shall furnish to the Secretary of
27 State and election commissioner or county clerk any maps and additional
28 information which the election commissioner or county clerk may require
29 in the proper performance of their duties in the conduct of elections and
30 certification of results.

31 (2) The charge for each primary and general election shall be

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

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

12 (4) In lieu of the charge determined pursuant to subsection (2) of
13 this section, the election commissioner or county clerk may bill school
14 districts directly for the costs of an election held under section
15 10-703.01.

16 Sec. 40. Section 60-6,290, Revised Statutes Cumulative Supplement,
17 2018, is amended to read:

18 60-6,290 (1)(a) No vehicle shall exceed a length of forty feet,
19 extreme overall dimensions, inclusive of front and rear bumpers including
20 load, except that:

21 (i) A bus or a motor home, as defined in section 71-4603, may exceed
22 the forty-foot limitation but shall not exceed a length of forty-five
23 feet;

24 (ii) A truck-tractor may exceed the forty-foot limitation;

25 (iii) A semitrailer operating in a truck-tractor single semitrailer
26 combination, which semitrailer was actually and lawfully operating in the
27 State of Nebraska on December 1, 1982, may exceed the forty-foot
28 limitation;

29 (iv) A semitrailer operating in a truck-tractor single semitrailer
30 combination, which semitrailer was not actually and lawfully operating in
31 the State of Nebraska on December 1, 1982, may exceed the forty-foot

1 limitation but shall not exceed a length of fifty-three feet including
2 load;

3 (v) A semitrailer operating in a truck-tractor single semitrailer
4 combination, while transporting baled livestock forage, may exceed the
5 forty-foot limitation but shall not exceed a length of fifty-nine feet
6 six inches including load; and

7 (vi) An articulated bus vehicle operated by a transit authority
8 established under the Transit Authority Law or regional metropolitan
9 transit authority established pursuant to section 4 of this act ~~created~~
10 ~~pursuant to section 14-1803~~ may exceed the forty-foot limitation. For
11 purposes of this subdivision (vi), an articulated bus vehicle shall not
12 exceed sixty-five feet in length.

13 (b) No combination of vehicles shall exceed a length of sixty-five
14 feet, extreme overall dimensions, inclusive of front and rear bumpers and
15 including load, except:

16 (i) One truck and one trailer, loaded or unloaded, used in
17 transporting implements of husbandry to be engaged in harvesting, while
18 being transported into or through the state during daylight hours if the
19 total length does not exceed seventy-five feet including load;

20 (ii) A truck-tractor single semitrailer combination;

21 (iii) A truck-tractor semitrailer trailer combination, but the
22 semitrailer trailer portion of such combination shall not exceed sixty-
23 five feet inclusive of connective devices; and

24 (iv) A driveaway saddlemount vehicle transporter combination and
25 driveaway saddlemount with fullmount vehicle transporter combination, but
26 the total overall length shall not exceed ninety-seven feet.

27 (c) A truck shall be construed to be one vehicle for the purpose of
28 determining length.

29 (d) A trailer shall be construed to be one vehicle for the purpose
30 of determining length.

31 (2) Subsection (1) of this section shall not apply to:

1 (a) Extra-long vehicles which have been issued a permit pursuant to
2 section 60-6,292;

3 (b) Vehicles which have been issued a permit pursuant to section
4 60-6,299;

5 (c) The temporary moving of farm machinery during daylight hours in
6 the normal course of farm operations;

7 (d) The movement of unbaled livestock forage vehicles, loaded or
8 unloaded;

9 (e) The movement of public utility or other construction and
10 maintenance material and equipment at any time;

11 (f) Farm equipment dealers or their representatives as authorized
12 under section 60-6,382 driving, delivering, or picking up farm equipment
13 or implements of husbandry within the county in which the dealer
14 maintains his or her place of business, or in any adjoining county or
15 counties, and return;

16 (g) The overhang of any motor vehicle being hauled upon any lawful
17 combination of vehicles, but such overhang shall not exceed the distance
18 from the rear axle of the hauled motor vehicle to the closest bumper
19 thereof;

20 (h) The overhang of a combine to be engaged in harvesting, while
21 being transported into or through the state driven during daylight hours
22 by a truck-tractor semitrailer combination, but the length of the
23 semitrailer, including overhang, shall not exceed sixty-three feet and
24 the maximum semitrailer length shall not exceed fifty-three feet;

25 (i) Any self-propelled specialized mobile equipment with a fixed
26 load when the requirements of subdivision (2)(i) of section 60-6,288 are
27 met; or

28 (j) One truck-tractor two trailer combination or one truck-tractor
29 semitrailer trailer combination used in transporting equipment utilized
30 by custom harvesters under contract to agricultural producers to harvest
31 wheat, soybeans, or milo during the months of April through November but

1 the length of the property-carrying units, excluding load, shall not
2 exceed eighty-one feet six inches.

3 (3) The length limitations of this section shall be exclusive of
4 safety and energy conservation devices such as rearview mirrors,
5 turnsignal lights, marker lights, steps and handholds for entry and
6 egress, flexible fender extensions, mudflaps and splash and spray
7 suppressant devices, load-induced tire bulge, refrigeration units or air
8 compressors, and other devices necessary for safe and efficient operation
9 of commercial motor vehicles, except that no device excluded from the
10 limitations of this section shall have by its design or use the
11 capability to carry cargo.

12 Sec. 41. Section 75-303, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 75-303 Sections 75-301 to 75-322 shall apply to transportation by a
15 motor carrier or the transportation of passengers and household goods by
16 a regulated motor carrier for hire in intrastate commerce except for the
17 following:

18 (1) A motor carrier for hire in the transportation of school
19 children and teachers to and from school;

20 (2) A motor carrier for hire operated in connection with a part of a
21 streetcar system;

22 (3) An ambulance, ambulance owner, hearse, or automobile used
23 exclusively as an incident to conducting a funeral;

24 (4) A motor carrier exempt by subdivision (1) of this section which
25 hauls for hire (a) persons of a religious, fraternal, educational, or
26 charitable organization, (b) pupils of a school to athletic events, (c)
27 players of American Legion baseball teams when the point of origin or
28 termination is within five miles of the domicile of the carrier, and (d)
29 the elderly as defined in section 13-1203 and their spouses and
30 dependents under a contract with a municipality or county authorized in
31 section 13-1208;

1 (5) A motor carrier operated by a city and engaged in the
2 transportation of passengers, and such exempt operations shall be no
3 broader than those authorized in intrastate commerce at the time the city
4 or other political subdivision assumed ownership of the operation;

5 (6) A motor vehicle owned and operated by a nonprofit organization
6 which is exempt from payment of federal income taxes, as provided by
7 section 501(c)(4), Internal Revenue Code, transporting solely persons
8 over age sixty, persons who are spouses and dependents of persons over
9 age sixty, and handicapped persons;

10 (7) A motor carrier engaged in the transportation of passengers
11 operated by a transit authority or regional metropolitan transit
12 authority established ~~created~~ under and acting pursuant to the laws of
13 the State of Nebraska;

14 (8) A motor carrier operated by a municipality or county, as
15 authorized in section 13-1208, in the transportation of elderly persons;

16 (9) A motor vehicle having a seating capacity of twenty or less
17 which is operated by a governmental subdivision or a qualified public-
18 purpose organization as defined in section 13-1203 engaged in the
19 transportation of passengers in the state;

20 (10) A motor vehicle owned and operated by a nonprofit entity
21 organized for the purpose of furnishing electric service;

22 (11) A motor carrier engaged in attended services under contract or
23 subcontract with the Department of Health and Human Services or with any
24 agency organized under the Nebraska Community Aging Services Act;

25 (12) A motor carrier engaged in residential care transportation
26 services if the motor carrier complies with the requirements of the
27 Department of Health and Human Services adopted, promulgated, and
28 enforced to protect the safety and well-being of the passengers,
29 including insurance, training, and age requirements;

30 (13) A motor carrier engaged in supported transportation services if
31 the motor carrier complies with the requirements of the Department of

1 Health and Human Services adopted, promulgated, and enforced to protect
2 the safety and well-being of the passengers, including insurance,
3 training, and age requirements; and

4 (14) A motor carrier engaged in licensed care transportation
5 services if the motor carrier files a certificate with the commission
6 that such provider meets the minimum driver standards, insurance
7 requirements, and equipment standards prescribed by the commission.
8 Insurance requirements established by the commission shall be consistent
9 with the insurance requirements established by the Department of Health
10 and Human Services for attended services, residential care transportation
11 services, and supported transportation services.

12 Sec. 42. Section 77-3442, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-3442 (1) Property tax levies for the support of local governments
15 for fiscal years beginning on or after July 1, 1998, shall be limited to
16 the amounts set forth in this section except as provided in section
17 77-3444.

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

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

28 (c) Except as provided in subdivision (2)(e) of this section, for
29 each fiscal year prior to fiscal year 2017-18, school districts that are
30 members of learning communities may levy for purposes of such districts'
31 general fund budget and special building funds a maximum combined levy of

1 the difference of one dollar and five cents on each one hundred dollars
2 of taxable property subject to the levy minus the learning community levy
3 pursuant to subdivision (2)(b) of this section for such learning
4 community.

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

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

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

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

27 (g) For each fiscal year, learning communities may levy a maximum
28 levy of one and one-half cents on each one hundred dollars of taxable
29 property subject to the levy for early childhood education programs for
30 children in poverty, for elementary learning center employees, for
31 contracts with other entities or individuals who are not employees of the

1 learning community for elementary learning center programs and services,
2 and for pilot projects, except that no more than ten percent of such levy
3 may be used for elementary learning center employees.

4 (3) For each fiscal year, community college areas may levy the
5 levies provided in subdivisions (2)(a) through (c) of section 85-1517, in
6 accordance with the provisions of such subdivisions. A community college
7 area may exceed the levy provided in subdivision (2)(b) of section
8 85-1517 by the amount necessary to retire general obligation bonds
9 assumed by the community college area or issued pursuant to section
10 85-1515 according to the terms of such bonds or for any obligation
11 pursuant to section 85-1535 entered into prior to January 1, 1997.

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

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

24 (c) In addition, natural resources districts located in a river
25 basin, subbasin, or reach that has been determined to be fully
26 appropriated pursuant to section 46-714 or designated as overappropriated
27 pursuant to section 46-713 by the Department of Natural Resources shall
28 also have the power and authority to levy a tax equal to the dollar
29 amount by which their restricted funds budgeted to administer and
30 implement ground water management activities and integrated management
31 activities under the Nebraska Ground Water Management and Protection Act

1 exceed their restricted funds budgeted to administer and implement ground
2 water management activities and integrated management activities for
3 FY2005-06, not to exceed three cents on each one hundred dollars of
4 taxable valuation on all of the taxable property within the district for
5 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
6 2017-18.

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

11 (6)(a) Incorporated cities and villages which are not within the
12 boundaries of a municipal county may levy a maximum levy of forty-five
13 cents per one hundred dollars of taxable valuation of property subject to
14 the levy plus an additional five cents per one hundred dollars of taxable
15 valuation to provide financing for the municipality's share of revenue
16 required under an agreement or agreements executed pursuant to the
17 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
18 levy shall include amounts levied to pay for sums to support a library
19 pursuant to section 51-201, museum pursuant to section 51-501, visiting
20 community nurse, home health nurse, or home health agency pursuant to
21 section 71-1637, or statue, memorial, or monument pursuant to section
22 80-202.

23 (b) Incorporated cities and villages which are within the boundaries
24 of a municipal county may levy a maximum levy of ninety cents per one
25 hundred dollars of taxable valuation of property subject to the levy. The
26 maximum levy shall include amounts paid to a municipal county for county
27 services, amounts levied to pay for sums to support a library pursuant to
28 section 51-201, a museum pursuant to section 51-501, a visiting community
29 nurse, home health nurse, or home health agency pursuant to section
30 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

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

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

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

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

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

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

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

24 (12) ~~(11)~~ Property tax levies (a) for judgments, except judgments or
25 orders from the Commission of Industrial Relations, obtained against a
26 political subdivision which require or obligate a political subdivision
27 to pay such judgment, to the extent such judgment is not paid by
28 liability insurance coverage of a political subdivision, (b) for
29 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
30 for bonds as defined in section 10-134 approved according to law and
31 secured by a levy on property except as provided in section 44-4317 for

1 bonded indebtedness issued by educational service units and school
2 districts, and (d) for payments by a public airport to retire interest-
3 free loans from the Division of Aeronautics of the Department of
4 Transportation in lieu of bonded indebtedness at a lower cost to the
5 public airport are not included in the levy limits established by this
6 section.

7 (13) ~~(12)~~ The limitations on tax levies provided in this section are
8 to include all other general or special levies provided by law.
9 Notwithstanding other provisions of law, the only exceptions to the
10 limits in this section are those provided by or authorized by sections
11 77-3442 to 77-3444.

12 (14) ~~(13)~~ Tax levies in excess of the limitations in this section
13 shall be considered unauthorized levies under section 77-1606 unless
14 approved under section 77-3444.

15 (15) ~~(14)~~ For purposes of sections 77-3442 to 77-3444, political
16 subdivision means a political subdivision of this state and a county
17 agricultural society.

18 (16) ~~(15)~~ For school districts that file a binding resolution on or
19 before May 9, 2008, with the county assessors, county clerks, and county
20 treasurers for all counties in which the school district has territory
21 pursuant to subsection (7) of section 79-458, if the combined levies,
22 except levies for bonded indebtedness approved by the voters of the
23 school district and levies for the refinancing of such bonded
24 indebtedness, are in excess of the greater of (a) one dollar and twenty
25 cents per one hundred dollars of taxable valuation of property subject to
26 the levy or (b) the maximum levy authorized by a vote pursuant to section
27 77-3444, all school district levies, except levies for bonded
28 indebtedness approved by the voters of the school district and levies for
29 the refinancing of such bonded indebtedness, shall be considered
30 unauthorized levies under section 77-1606.

31 Sec. 43. Section 77-3443, Reissue Revised Statutes of Nebraska, is

1 amended to read:

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

1 the council of a municipal county which contains a transit authority
2 ~~established~~ ~~created~~ pursuant to the Transit Authority Law section 14-1803
3 shall allocate no less than three cents per one hundred dollars of
4 taxable property within the city or municipal county subject to the levy
5 to the transit authority if requested by such authority. For any
6 political subdivision subject to this subsection that receives taxes from
7 more than one county or municipal county, the levy shall be allocated
8 only by the county or municipal county in which the greatest portion of
9 the valuation is located. The county board of equalization shall certify
10 all levies by October 15 to insure that the taxes levied by political
11 subdivisions subject to this subsection do not exceed the allowable limit
12 for any parcel or item of taxable property. The levy allocated by the
13 county or municipal county may be exceeded as provided in section
14 77-3444.

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

1 public airport. For offstreet parking districts established under the
2 Offstreet Parking District Act, the tax shall be counted in the
3 allocation by the city proportionately, by dividing the total taxable
4 valuation of the taxable property within the district by the total
5 taxable valuation of the taxable property within the city multiplied by
6 the levy of the district. Unless a transit authority elects to convert
7 into a regional metropolitan transit authority pursuant to the Regional
8 Metropolitan Transit Authority Act, and for each fiscal year of such a
9 transit authority until the first fiscal year commencing after the
10 effective date of such conversion, the The city council of a city which
11 has established ~~created~~ a transit authority pursuant to the Transit
12 Authority Law section 14-1803 or the council of a municipal county which
13 contains a transit authority shall allocate no less than three cents per
14 one hundred dollars of taxable property subject to the levy to the
15 transit authority if requested by such authority. The city council,
16 village board, or council shall review and approve or disapprove the levy
17 request of the political subdivisions subject to this subsection. The
18 city council, village board, or council may approve all or a portion of
19 the levy request and may approve a levy request that would allow a levy
20 greater than that permitted by law. The levy allocated by the
21 municipality or municipal county may be exceeded as provided in section
22 77-3444.

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

1 section 77-3444 to exceed the final levy allocation as determined in
2 subsection (4) of this section.

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

13 Sec. 44. Section 84-304, Revised Statutes Cumulative Supplement,
14 2018, is amended to read:

15 84-304 It shall be the duty of the Auditor of Public Accounts:

16 (1) To give information electronically to the Legislature, whenever
17 required, upon any subject relating to the fiscal affairs of the state or
18 with regard to any duty of his or her office;

19 (2) To furnish offices for himself or herself and all fuel, lights,
20 books, blanks, forms, paper, and stationery required for the proper
21 discharge of the duties of his or her office;

22 (3)(a) To examine or cause to be examined, at such time as he or she
23 shall determine, books, accounts, vouchers, records, and expenditures of
24 all state officers, state bureaus, state boards, state commissioners, the
25 state library, societies and associations supported by the state, state
26 institutions, state colleges, and the University of Nebraska, except when
27 required to be performed by other officers or persons. Such examinations
28 shall be done in accordance with generally accepted government auditing
29 standards for financial audits and attestation engagements set forth in
30 Government Auditing Standards (2011 Revision), published by the
31 Comptroller General of the United States, Government Accountability

1 Office, and except as provided in subdivision (10) of this section,
2 subdivision (16) of section 50-1205, and section 84-322, shall not
3 include performance audits, whether conducted pursuant to attestation
4 engagements or performance audit standards as set forth in Government
5 Auditing Standards (2011 Revision), published by the Comptroller General
6 of the United States, Government Accountability Office.

7 (b) Any entity, excluding the state colleges and the University of
8 Nebraska, that is audited or examined pursuant to subdivision (3)(a) of
9 this section and that is the subject of a comment and recommendation in a
10 management letter or report issued by the Auditor of Public Accounts
11 shall, on or before six months after the issuance of such letter or
12 report, provide to the Auditor of Public Accounts a detailed written
13 description of any corrective action taken or to be taken in response to
14 the comment and recommendation. The Auditor of Public Accounts may
15 investigate and evaluate the corrective action. The Auditor of Public
16 Accounts shall then electronically submit a report of any findings of
17 such investigation and evaluation to the Governor, the appropriate
18 standing committee of the Legislature, and the Appropriations Committee
19 of the Legislature. The Auditor of Public Accounts shall also ensure that
20 the report is delivered to the Appropriations Committee for entry into
21 the record during the committee's budget hearing process;

22 (4)(a) To examine or cause to be examined, at the expense of the
23 political subdivision, when the Auditor of Public Accounts determines
24 such examination necessary or when requested by the political
25 subdivision, the books, accounts, vouchers, records, and expenditures of
26 any agricultural association formed under Chapter 2, article 20, any
27 county agricultural society, any joint airport authority formed under the
28 Joint Airport Authorities Act, any city or county airport authority, any
29 bridge commission created pursuant to section 39-868, any cemetery
30 district, any community redevelopment authority or limited community
31 redevelopment authority established under the Community Development Law,

1 any development district, any drainage district, any health district, any
2 local public health department as defined in section 71-1626, any
3 historical society, any hospital authority or district, any county
4 hospital, any housing agency as defined in section 71-1575, any
5 irrigation district, any county or municipal library, any community
6 mental health center, any railroad transportation safety district, any
7 rural water district, any township, Wyuka Cemetery, the Educational
8 Service Unit Coordinating Council, any entity created pursuant to the
9 Interlocal Cooperation Act, any educational service unit, any village,
10 any service contractor or subrecipient of state or federal funds, any
11 political subdivision with the authority to levy a property tax or a
12 toll, or any entity created pursuant to the Joint Public Agency Act.

13 For purposes of this subdivision, service contractor or subrecipient
14 means any nonprofit entity that expends state or federal funds to carry
15 out a state or federal program or function, but it does not include an
16 individual who is a direct beneficiary of such a program or function or a
17 licensed health care provider or facility receiving direct payment for
18 medical services provided for a specific individual.

19 (b) The Auditor of Public Accounts may waive the audit requirement
20 of subdivision (4)(a) of this section upon the submission by the
21 political subdivision of a written request in a form prescribed by the
22 auditor. The auditor shall notify the political subdivision in writing of
23 the approval or denial of the request for a waiver.

24 (c) Through December 31, 2017, the Auditor of Public Accounts may
25 conduct audits under this subdivision for purposes of sections 2-3228,
26 12-101, 13-2402, 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037,
27 19-3501, 23-1118, 23-3526, 71-1631.02, and 79-987.

28 (d) Beginning on May 24, 2017, the Auditor of Public Accounts may
29 conduct audits under this subdivision for purposes of sections 13-2402,
30 14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 71-1631.02, and
31 79-987 and section 14 of this act and shall prescribe the form for the

1 annual reports required in each of such sections. Such annual reports
2 shall be published annually on the web site of the Auditor of Public
3 Accounts;

4 (5) To report promptly to the Governor and the appropriate standing
5 committee of the Legislature the fiscal condition shown by such
6 examinations conducted by the auditor, including any irregularities or
7 misconduct of officers or employees, any misappropriation or misuse of
8 public funds or property, and any improper system or method of
9 bookkeeping or condition of accounts. The report submitted to the
10 committee shall be submitted electronically. In addition, if, in the
11 normal course of conducting an audit in accordance with subdivision (3)
12 of this section, the auditor discovers any potential problems related to
13 the effectiveness, efficiency, or performance of state programs, he or
14 she shall immediately report them electronically to the Legislative
15 Performance Audit Committee which may investigate the issue further,
16 report it electronically to the appropriate standing committee of the
17 Legislature, or both;

18 (6)(a) To examine or cause to be examined the books, accounts,
19 vouchers, records, and expenditures of a fire protection district. The
20 expense of the examination shall be paid by the political subdivision.

21 (b) Whenever the expenditures of a fire protection district are one
22 hundred fifty thousand dollars or less per fiscal year, the fire
23 protection district shall be audited no more than once every five years
24 except as directed by the board of directors of the fire protection
25 district or unless the auditor receives a verifiable report from a third
26 party indicating any irregularities or misconduct of officers or
27 employees of the fire protection district, any misappropriation or misuse
28 of public funds or property, or any improper system or method of
29 bookkeeping or condition of accounts of the fire protection district. In
30 the absence of such a report, the auditor may waive the five-year audit
31 requirement upon the submission of a written request by the fire

1 protection district in a form prescribed by the auditor. The auditor
2 shall notify the fire protection district in writing of the approval or
3 denial of a request for waiver of the five-year audit requirement. Upon
4 approval of the request for waiver of the five-year audit requirement, a
5 new five-year audit period shall begin.

6 (c) Whenever the expenditures of a fire protection district exceed
7 one hundred fifty thousand dollars in a fiscal year, the auditor may
8 waive the audit requirement upon the submission of a written request by
9 the fire protection district in a form prescribed by the auditor. The
10 auditor shall notify the fire protection district in writing of the
11 approval or denial of a request for waiver. Upon approval of the request
12 for waiver, a new five-year audit period shall begin for the fire
13 protection district if its expenditures are one hundred fifty thousand
14 dollars or less per fiscal year in subsequent years;

15 (7) To appoint two or more assistant deputies (a) whose entire time
16 shall be devoted to the service of the state as directed by the auditor,
17 (b) who shall be certified public accountants with at least five years'
18 experience, (c) who shall be selected without regard to party affiliation
19 or to place of residence at the time of appointment, (d) who shall
20 promptly report to the auditor the fiscal condition shown by each
21 examination, including any irregularities or misconduct of officers or
22 employees, any misappropriation or misuse of public funds or property,
23 and any improper system or method of bookkeeping or condition of
24 accounts, and it shall be the duty of the auditor to file promptly with
25 the Governor a duplicate of such report, and (e) who shall qualify by
26 taking an oath which shall be filed in the office of the Secretary of
27 State;

28 (8) To conduct audits and related activities for state agencies,
29 political subdivisions of this state, or grantees of federal funds
30 disbursed by a receiving agency on a contractual or other basis for
31 reimbursement to assure proper accounting by all such agencies, political

1 subdivisions, and grantees for funds appropriated by the Legislature and
2 federal funds disbursed by any receiving agency. The auditor may contract
3 with any political subdivision to perform the audit of such political
4 subdivision required by or provided for in section 23-1608 or 79-1229 or
5 this section and charge the political subdivision for conducting the
6 audit. The fees charged by the auditor for conducting audits on a
7 contractual basis shall be in an amount sufficient to pay the cost of the
8 audit. The fees remitted to the auditor for such audits and services
9 shall be deposited in the Auditor of Public Accounts Cash Fund;

10 (9) To develop and maintain an annual budget and actual financial
11 information reporting system for political subdivisions that is
12 accessible online by the public;

13 (10) When authorized, to conduct joint audits with the Legislative
14 Performance Audit Committee as described in section 50-1205; and

15 (11) Unless otherwise specifically provided, to assess the interest
16 rate on delinquent payments of any fees for audits and services owing to
17 the Auditor of Public Accounts at a rate of fourteen percent per annum
18 from the date of billing unless paid within thirty days after the date of
19 billing. For an entity created pursuant to the Interlocal Cooperation Act
20 or the Joint Public Agency Act, any participating public agencies shall
21 be jointly and severally liable for the fees and interest owed if such
22 entity is defunct or unable to pay.

23 Sec. 45. Section 84-304.02, Revised Statutes Cumulative Supplement,
24 2018, is amended to read:

25 84-304.02 The Auditor of Public Accounts, or a person designated by
26 him or her, may prepare a written review of all audit, accounting, or
27 financial reports required to be filed by a political subdivision of the
28 state with the Auditor of Public Accounts and of public retirement system
29 plan reports required to be submitted to the Auditor of Public Accounts
30 pursuant to sections 2-3228, 12-101, 14-567, 14-1805.01, 14-2111,
31 15-1017, 16-1017, 16-1037, 19-3501, 23-1118, 23-3526, 71-1631.02, 79-987,

1 and 84-304 and section 14 of this act and cause one copy of such written
2 review to be mailed to the political subdivision involved and one copy to
3 the accountant who prepared the report. Such written review shall
4 specifically set forth wherein the audit, accounting, financial, or
5 retirement system plan report fails to comply with the applicable minimum
6 standards and the necessary action to be taken to bring the report into
7 compliance with such standards. The Auditor of Public Accounts may, upon
8 continued failure to comply with such standards, refuse to accept for
9 filing an audit, accounting, financial, or retirement system plan report
10 or any future report submitted for filing by any political subdivision.

11 Sec. 46. The Revisor of Statutes shall assign sections 1 to 25 of
12 this act to a new article in Chapter 19.

13 Sec. 47. Original sections 13-1213, 13-2202, 13-2401, 14-1803,
14 14-1812, 32-567, 32-604, 32-1203, 75-303, 77-3442, and 77-3443, Reissue
15 Revised Statutes of Nebraska, and sections 13-503, 13-519, 13-1205,
16 13-1209, 32-101, 60-6,290, 84-304, and 84-304.02, Revised Statutes
17 Cumulative Supplement, 2018, are repealed.