

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 336

Introduced by Hansen, M., 26.

Read first time January 16, 2019

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to budget limitations; to amend section
2 77-3446, Reissue Revised Statutes of Nebraska, and section 13-519,
3 Revised Statutes Cumulative Supplement, 2018; to change the vote
4 required to exceed certain budget limitations; to harmonize
5 provisions; to provide an operative date; to repeal the original
6 sections; and to declare an emergency.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-519, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 13-519 (1)(a) Subject to subdivisions (1)(b) and (c) of this
4 section, for all fiscal years beginning on or after July 1, 1998, no
5 governmental unit shall adopt a budget containing a total of budgeted
6 restricted funds more than the last prior year's total of budgeted
7 restricted funds plus allowable growth plus the basic allowable growth
8 percentage of the base limitation established under section 77-3446. For
9 the second fiscal year in which a county will receive a full year of
10 receipts from the tax imposed in sections 77-27,223 to 77-27,227, the
11 prior year's total of restricted funds shall be the prior year's total of
12 restricted funds plus the total receipts from the tax imposed in sections
13 77-27,223 to 77-27,227 in the prior year. If a governmental unit
14 transfers the financial responsibility of providing a service financed in
15 whole or in part with restricted funds to another governmental unit or
16 the state, the amount of restricted funds associated with providing the
17 service shall be subtracted from the last prior year's total of budgeted
18 restricted funds for the previous provider and may be added to the last
19 prior year's total of restricted funds for the new provider. For
20 governmental units that have consolidated, the calculations made under
21 this section for consolidating units shall be made based on the combined
22 total of restricted funds, population, or full-time equivalent students
23 of each governmental unit.

24 (b) For all fiscal years beginning on or after July 1, 2008,
25 educational service units may exceed the limitations of subdivision (1)
26 (a) of this section to the extent that one hundred ten percent of the
27 needs for the educational service unit calculated pursuant to section
28 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to
29 subdivision (1)(a) of this section.

30 (c) For fiscal year 2017-18, the last prior year's total of
31 restricted funds for counties shall be the last prior year's total of

1 restricted funds less the last prior year's restricted funds budgeted by
2 counties under sections 39-2501 to 39-2520, plus the last prior year's
3 amount of restricted funds budgeted by counties under sections 39-2501 to
4 39-2520 to be used for capital improvements.

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

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

26 (4) In lieu of the election procedures in subsection (3) of this
27 section, any governmental unit may exceed the allowable growth percentage
28 otherwise prescribed in this section by an amount approved by a majority
29 of legal voters voting at a meeting of the residents of the governmental
30 unit, called after notice is published in a newspaper of general
31 circulation in the governmental unit at least twenty days prior to the

1 meeting. At least ten percent of the registered voters residing in the
2 governmental unit shall constitute a quorum for purposes of taking action
3 to exceed the allowable growth percentage. If a majority of the
4 registered voters present at the meeting vote in favor of exceeding the
5 allowable growth percentage, a copy of the record of that action shall be
6 forwarded to the Auditor of Public Accounts along with the budget
7 documents. The issue to exceed the allowable growth percentage may be
8 approved at the same meeting as a vote to exceed the limits or final levy
9 allocation provided in section 77-3444.

10 Sec. 2. Section 77-3446, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 77-3446 Base limitation means the budget limitation rate applicable
13 to school districts and the limitation on growth of restricted funds
14 applicable to other political subdivisions prior to any increases in the
15 rate as a result of special actions taken by a majority ~~supermajority~~
16 any governing board or of any exception allowed by law. The base
17 limitation is two and one-half percent until adjusted, except that the
18 base limitation for school districts for school fiscal years 2017-18 and
19 2018-19 is one and one-half percent. The base limitation may be adjusted
20 annually by the Legislature to reflect changes in the prices of services
21 and products used by school districts and political subdivisions.

22 Sec. 3. This act becomes operative on July 1, 2019.

23 Sec. 4. Original section 77-3446, Reissue Revised Statutes of
24 Nebraska, and section 13-519, Revised Statutes Cumulative Supplement,
25 2018, are repealed.

26 Sec. 5. Since an emergency exists, this act takes effect when
27 passed and approved according to law.