

LEGISLATIVE BILL 311

Approved by the Governor May 26, 1989

Introduced by Landis, 46; Weihing, 48; Schimek, 27

AN ACT relating to wastewater treatment facilities; to amend sections 58-201, 58-202, 58-203, 58-214, 58-219, and 84-1409, Reissue Revised Statutes of Nebraska, 1943, and sections 81-15,147, 81-15,148, 81-15,151, 81-15,152, and 81-15,153, Revised Statutes Supplement, 1988; to restate intent; to redefine terms; to authorize the financing of wastewater treatment facilities through the Nebraska Investment Finance Authority; to change provisions relating to the funding of projects from the Wastewater Treatment Facilities Construction Loan Fund; to create a fund; to provide powers and duties; to provide for a lien of any pledge of the fund or any assets of the fund; to harmonize provisions; to provide severability; and to repeal the original sections.

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

Section 1. That section 58-201, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

58-201. Sections 58-201 to 58-272 and section 6 of this act shall be known and may be cited as the Nebraska Investment Finance Authority Act.

Sec. 2. That section 58-202, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

58-202. It is hereby found and declared that:
(1)(a) The high cost of agricultural loans and the general unavailability of such loans to farmers and other agricultural enterprises ~~has~~ have resulted in decreased crop, livestock, and business productivity and prevented farmers and other agricultural enterprises from acquiring modern agricultural equipment and processes. These problems have made it difficult for farmers and other agricultural enterprises to maintain or increase their present number of employees and ~~has~~ have decreased the supply of agricultural commodities available to fulfill the needs of the citizens of this state; and

(b) There exists in this state an inadequate supply of, and a pressing need for, farm credit and agricultural loan financing at interest rates which are consistent with the needs of farmers and other agricultural enterprises;

(2)(a) From time to time the high rates of interest charged by mortgage lenders seriously restrict existing housing transfers and new housing starts and the resultant reduction in residential construction starts causes a condition of substantial unemployment and underemployment in the construction industry;

(b) Such conditions generally result in and contribute to the creation of slums and blighted areas in the urban and rural areas of this state and a deterioration of the quality of living conditions within this state, and necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident prevention, and other public services and facilities; and

(c) There exists in the urban and rural areas of this state an inadequate supply of, and a pressing need for, sanitary, safe, and uncrowded housing at prices which persons of low and moderate income can afford to purchase, construct, or rent, and as a result such persons are forced to occupy insanitary, unsafe, and overcrowded housing;

(3)(a) Adequate and reliable energy supplies are a basic necessity of life and sufficient energy supplies are essential to supplying adequate food and shelter;

(b) The cost and availability of energy supplies has been and will continue to be a matter of state and national concern;

(c) The increasing cost and decreasing availability of energy supplies for purposes of residential heating will limit the ability of many of Nebraska's citizens to provide the basic necessities of life and will result in a deterioration in living conditions and a threat to the health and welfare of the citizens of this state;

(d) Energy conservation through building modifications, including, but not limited to, insulation, weatherization, and the installation of alternative energy devices, has been shown to be a prudent means of reducing energy consumption costs and the need for additional costly facilities to produce and supply energy;

(e) Because of the high cost of available

capital, the purchase of energy conservation devices is not possible for many Nebraskans. The prohibitively high interest rates for private capital create a situation in which the necessary capital cannot be obtained solely from private enterprise sources and there is a need for the stimulation of investment of private capital, thereby encouraging the purchase of energy conservation devices and energy conserving building modifications;

(f) The increased cost per capita of supplying adequate life-sustaining energy needs has reduced the amount of funds, both public and private, available for providing other necessities of life, including food, health care, and safe, sanitary housing; and

(g) The continuing purchase of energy supplies results in the transfer of ever increasing amounts of capital to out-of-state energy suppliers; and

(4)(a) There exist within this state unemployment and underemployment especially in areas of basic economic activity, caused by economic decline and need for diversification of the economic base, needlessly increasing public expenditures for unemployment compensation and welfare, decreasing the tax base, reducing tax revenue, and resulting in economic and social liabilities to the entire state;

(b) Such unemployment and underemployment cause areas of the state to deteriorate and become substandard and blighted, and such conditions result in making such areas economic or social liabilities harmful to the social and economic well-being of the entire state and the communities in which they exist, needlessly increasing public expenditures, imposing onerous state and municipal burdens, decreasing the tax base, reducing tax revenue, substantially impairing or arresting the sound growth of the state and the municipalities, depreciating general state and community-wide values, and contributing to the spread of disease and crime, which necessitate excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, and punishment, for the treatment of juvenile delinquency, for the maintenance of adequate police, fire, and accident protection, and for other public services and facilities;

(c) There exist within this state conditions resulting from the concentration of population of various counties, cities, and villages which require the construction, maintenance, and operation of adequate

hospital and nursing facilities for the care of the public health. Since these conditions cannot be remedied by the ordinary operations of private enterprises and the providing of adequate hospital, nursing, and medical care are public uses, it is in the public interest that adequate hospital and medical facilities and care be provided in order to care for and protect the health and public welfare;

(d) Creation of basic economic jobs in the private sector and the promotion of health and welfare by the means provided under the Nebraska Investment Finance Authority Act and the resulting reduction of needless public expenditures, expansion of the tax base, provision of hospitals and health care and related facilities, and increase of tax revenue are needed within this state; and

(e) Stimulation of economic development throughout the state and the provision of health care at affordable prices are matters of state policy, public interest, and statewide concern and within the powers and authority inherent in and reserved to the state; in order that the state and its municipalities shall not continue to be endangered by areas which consume an excessive proportion of their revenue, in order that the economic base of the state may be broadened and stabilized thereby providing jobs and necessary tax base, and in order that adequate health care services be provided to all residents of this state; and

(5)(a) There is a need within this state for financing to assist municipalities, as defined in section 81-15.149, in providing wastewater treatment facilities. The federal funding provided for wastewater treatment facilities is extremely limited, and the need to provide and improve wastewater treatment facilities is great.

(b) The construction, development, rehabilitation, and improvement of modern and efficient sewer systems and wastewater treatment facilities are essential to protecting and improving the state's water quality, the provision of adequate wastewater treatment facilities is essential to economic growth and development, and new sources of financing for such projects are needed.

(c) The federal government has acted to end the system of federal construction grants for clean water projects and has instead provided for capitalization grants to capitalize state revolving funds for wastewater treatment projects, and the state has created the Wastewater Treatment Facilities

Construction Loan Fund within the Wastewater Treatment Facilities Construction Assistance Act. The state is required to provide matching funds for deposit into such fund, and there is a need for financing in excess of the amount which can be provided by the federal money and the state match; and

(d) Additional assistance can be provided to municipalities, as defined in section 81-15,149, to alleviate the problems of water pollution by providing for the issuance of revenue bonds, the proceeds of which shall be deposited into the Wastewater Treatment Facilities Construction Loan Fund. Nothing in this section shall prohibit the provision of loans, including loans made pursuant to the Conservation Corporation Act, to a municipality as defined in section 81-15,149 for the construction, development, rehabilitation, operation, maintenance, and improvement of wastewater treatment facilities.

Sec. 3. That section 58-203, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

58-203. (1) The problems enumerated in section 58-202 cannot alone be remedied through the operation of private enterprise or individual communities or both; but may be alleviated through the creation of a quasi-governmental body to:

(a) Encourage the investment of private capital and stimulate the construction of sanitary, safe, and uncrowded housing for low and moderate income persons through the use of public financing as provided by the Nebraska Investment Finance Authority Act at reasonable interest rates; and by coordinating and cooperating with private industry and local communities, which ~~is~~ are essential to alleviating the conditions described in section 58-202 and ~~is~~ are in the public interest;

(b) Encourage the investment of private capital to provide financing for farmers and other agricultural enterprises of usual and customary size for such farming operations within the community at interest rates lower than those available in conventional farm credit markets, which is essential to alleviating the conditions described in section 58-202 and is in the public interest; and

(c) Encourage the investment of private capital and stimulate the creation of basic economic activity, the creation of jobs, the provision of adequate health care, and the expansion of the tax base throughout the state through the use of public

financing, and by coordinating with private industry and local communities, which ~~is~~ are essential to alleviating the conditions described in section 58-202 and ~~is~~ are in the public interest; and

(d) Encourage the investment of private capital and assist in the construction, development, rehabilitation, and improvement of wastewater treatment facilities in this state to provide for clean water to protect the health and welfare of the citizens and residents of this state and promote economic well-being, which are essential to alleviating the conditions described in section 58-202 and are in the public interest.

(2) Alleviating the conditions and problems enumerated in section 58-202 through encouragement of private investment by a quasi-governmental body is a public purpose and use for which public money provided by the sale of revenue bonds may be borrowed, expended, advanced, loaned, or granted. Such activities shall not be conducted for profit. Such activities are proper governmental functions and can best be accomplished by the creation of a quasi-governmental body vested with the powers and duties specified in the Nebraska Investment Finance Authority Act. The necessity for the provisions of the Nebraska Investment Finance Authority Act ~~act~~ to protect the health, safety, morals, and general welfare of all the people of this state is hereby declared to be a matter of legislative determination. The governmental body created by the Nebraska Investment Finance Authority Act ~~act~~ shall make financing available for new or existing housing to serve those people whom private industry is unable to serve at current interest rates, and shall make financing available for farmers who are unable to obtain sufficient credit to finance actual agricultural needs at reasonable rates and terms taking into consideration prevailing rates and terms for similar loans made through conventional farm credit markets in or near the farmer's community, and shall make financing available for the construction, development, rehabilitation, and improvement of wastewater treatment facilities in this state.

Sec. 4. That section 58-214, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

58-214. Lender shall mean any federal or state-chartered bank, federal land bank, production credit association, bank for cooperatives, savings and loan association, building and loan association, or

small business investment company, the Wastewater Treatment Facility Construction Loan Fund, or any other institution or fund qualified within the state to originate and service loans, including, but not limited to, insurance companies, credit unions, and mortgage loan companies.

Sec. 5. That section 58-219, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

58-219. Project shall mean one or more of the following:

(1)(a) Rental housing;
 (b) Residential housing; and
 (c) Residential energy conservation devices;
 (2) Agriculture or agricultural enterprise;
 (3) Any land, building, or other improvement, any real or personal property, or any equipment, and any undivided or other interest in any of the foregoing, whether or not in existence, suitable or used for or in connection with any of the following revenue-producing enterprises or two or more such enterprises engaged or to be engaged in:

(a) In all areas of the state, manufacturing or industrial enterprises, including assembling, fabricating, mixing, processing, warehousing, distributing, or transporting any products of agriculture, forestry, mining, industry, or manufacturing; pollution control facilities; and facilities incidental to the development of industrial sites, including land costs and the costs of site improvements thereon, such as drainage, water, storm, and sanitary sewers, grading, streets, and other facilities and structures incidental to the use of such sites for manufacturing or industrial enterprises;

(b) In all areas of the state, commercial or service enterprises if (i) such facilities constitute new construction or rehabilitation, including hotels or motels, sports and recreation facilities available for use by members of the general public either as participants or spectators, and convention or trade show facilities, and (ii) such facilities do not or will not derive a significant portion of their gross receipts from retail sales or utilize a significant portion of their total area for retail sales;

(c) In blighted areas of the state, commercial, service, and business enterprises if such facilities constitute new construction, acquisition, or rehabilitation, including, but not limited to, those enterprises specified in subdivision (3)(b) of this

section, office buildings, and retail businesses; and

(d) In all areas of the state, any land, building, or other improvement and all real or personal property, including furniture and equipment, and any undivided or other interest in any such property, whether or not in existence, suitable or used for or in connection with any hospital, nursing home, and any facilities related and subordinate thereto; and

(4) Any land, building, or other improvement, any real or personal property, or any equipment, and any undivided or other interest in any of the foregoing, whether or not in existence, used by any business as an office building, but only if (a) the principal long-term occupant or occupants thereof initially employ at least fifty people, (b) the office building will be used by the principal long-term occupant or occupants as a national, regional, or divisional office, (c) the principal long-term occupant or occupants are engaged in a multistate operation, and (d) the authority makes the findings specified in subdivision (1) of section 58-251; and

(5) Wastewater treatment project which shall include any project or undertaking which involves the construction, development, rehabilitation, and improvement of wastewater treatment facilities and is financed by a loan from or otherwise provided financial assistance by the Wastewater Treatment Facilities Construction Loan Fund.

Nothing in subdivision (3) of this section shall be construed to include any rental or residential housing, residential energy conservation device, or agriculture or agricultural enterprise.

Sec. 6. (1) In addition to the powers granted to the authority under section 58-239, the authority may:

(a) Borrow money and issue bonds for the purpose of financing wastewater treatment projects; and

(b) Make and undertake commitments to deposit the proceeds from the issuance of bonds in the Wastewater Treatment Facilities Construction Loan Fund to be used to make loans for wastewater treatment projects. Loans made through such fund shall be originated and serviced pursuant to the Wastewater Treatment Facilities Construction Assistance Act.

(2) Upon the issuance of bonds for aiding the financing of wastewater treatment projects and at the earliest time that bond proceeds become available, the authority shall transfer the proceeds, less the cost of the issuance and financing of such bond issues and the

debt service reserve fund, if any, to the Wastewater Treatment Facilities Construction Loan Fund.

Sec. 7. That section 81-15,147, Revised Statutes Supplement, 1988, be amended to read as follows:

81-15,147. Sections 81-15,147 to 81-15,158 and sections 12 and 13 of this act shall be known and may be cited as the Wastewater Treatment Facilities Construction Assistance Act.

Sec. 8. That section 81-15,148, Revised Statutes Supplement, 1988, be amended to read as follows:

81-15,148. The Legislature finds that the construction, rehabilitation, operation, and maintenance of modern and efficient sewer systems and wastewater treatment works are essential to protecting and improving the state's water quality, that protecting water quality is an issue of concern to all citizens of the state, that in addition to protecting and improving the state's water quality, adequate wastewater treatment works are essential to economic growth and development, and that during the last several years the amount of federal grant money available to states and local governments for assistance in constructing and improving wastewater treatment works has sharply diminished and will likely continue to diminish, and that it is proper for the state to encourage local governments to undertake wastewater treatment projects through the establishment of a state mechanism to provide loans at the lowest reasonable rates-

The Legislature determines that it is in the public interest to establish a loan fund to make loans available from the state to municipalities to carry out the purposes of the Wastewater Treatment Facilities Construction Assistance Act- the amount of needed assistance which may be provided to municipalities for wastewater treatment purposes can be increased and needed projects can be undertaken more expeditiously through the issuance of revenue bonds and the deposit of the proceeds thereof into the Wastewater Treatment Facilities Construction Loan Fund.

The Legislature finds and determines that the issuance of revenue bonds for the purpose of financing the fund serves a public purpose by assisting municipalities in providing and improving wastewater treatment facilities and thereby providing clean water to the citizens of the state, promoting the health and well-being of the citizens, and assisting in the economic growth and development of the state and its

political subdivisions. The full faith and credit and the taxing power of the state are not pledged to the payment of such bonds or the interest thereon.

Sec. 9. That section 81-15,151, Revised Statutes Supplement, 1988, be amended to read as follows:

81-15,151. (1) There is hereby created in the state treasury a cash fund to be known as the Wastewater Treatment Facilities Construction Loan Fund. The fund shall be held as a trust fund for the purposes and uses described in the Wastewater Treatment Facilities Construction Assistance Act.

The fund shall consist of federal capitalization grants, state matching appropriations, repayments of principal and interest on loans, and other money designated for the fund. The Director of Environmental Control may make loans from the fund pursuant to the act and may use up to four percent of all federal capitalization grant awards to the fund for the reasonable cost of administering the fund and conducting activities under Title VI of the Clean Water Act. The state investment officer shall invest any money in the fund available for investment pursuant to sections 72-1237 to 72-1276, except that any bond proceeds in the fund shall be invested in accordance with the terms of the documents under which the bonds are issued. The state investment officer may direct that the bond proceeds shall be deposited with the bond trustee for investment. Investment earnings shall be credited to the fund.

The department may create or direct the creation of accounts within the fund as the department determines to be appropriate and useful in administering the fund and in providing for the security, investment, and repayment of bonds.

The fund and the assets thereof may be used, to the extent permitted by the Clean Water Act, as amended, and the regulations adopted and promulgated pursuant to such act, to pay or to secure the payment of bonds and the interest thereon, except that amounts deposited into the fund from state appropriations and the earnings on such appropriations may not be used to pay or to secure the payment of bonds or the interest thereon.

(2) There is hereby created the Construction Administration Fund. Any funds available for administering loans or fees collected pursuant to the Wastewater Treatment Facilities Construction Assistance Act shall be deposited in the Construction

Administration Fund. The Construction Administration Fund shall be administered by the department for the purposes of the act. The state investment officer shall invest any money in the Construction Administration Fund available for investment pursuant to sections 72-1237 to 72-1276. Investment earnings on the Construction Administration Fund shall be credited to the Construction Administration Fund. The department shall maintain the following separate accounts for four distinct activities: (1) An administration account; (2) a federal allocations account; (3) a state allocations account; and (4) an investment earnings account. The administration account, the federal allocations account, and the state allocations account shall comprise the water pollution control revolving fund required by Title VI, section 601 et seq., of the Clean Water Act.

The administration account shall consist of any funds available for administering construction loans pursuant to the Wastewater Treatment Facilities Construction Assistance Act or section 603(d)(7) of the Clean Water Act. The director may pay the reasonable costs of administering loans and of other necessary activities.

The federal allocations account shall consist of federal capitalization grants pursuant to section 601 of the Clean Water Act and repayments of principal and interest on loans. The director may make loans from the federal allocations account pursuant to the Wastewater Treatment Facilities Construction Assistance Act.

The state allocations account shall consist of state appropriations necessary to qualify for federal capitalization grants, repayments of principal and interest on loans, and other money designated for the fund. The director may make loans from the state allocations account pursuant to the Wastewater Treatment Facilities Construction Assistance Act.

The investment earnings account shall consist of investment earnings on any invested balance in the fund. The legislature may transfer funds from the investment earnings account to the state allocations account.

The state investment officer shall invest any money in the fund available for investment pursuant to sections 72-1237 to 72-1269. Investment earnings shall be credited to the investment earnings account of the fund.

Sec. 10. That section 81-15,152, Revised Statutes Supplement, 1988, be amended to read as follows:

81-15,152. The council shall have the following powers and duties:

(1) The power to adopt and promulgate rules and regulations to govern the application procedure and requirements for making loans under the Wastewater Treatment Facilities Construction Assistance Act;

(2) The power to adopt a system for the ranking of wastewater treatment construction projects with known needs or for which loan applications have been received by the department. In establishing the system the council shall consider, among other things, the severity of pollution, public health, water quality impact, population, financial capability, and eligibility of the construction project for federal or state funds. This priority system shall be reviewed annually by the council;

(3) The power to adopt a system of establishing interest rates to be charged on loans. The system shall presume that the current market interest rate shall be charged unless a municipality demonstrates a serious financial hardship. The system may allow discounted interest rates for short-term loans. The following factors shall be considered when making a determination of serious financial hardship: Income level of residents; amount of debt and debt service requirements; and level of user fees in both in absolute terms and relative to income of residents;

(4) The power to create an administrative fee to be assessed on a loan for the purpose of administering the Wastewater Treatment Facilities Construction Assistance Act. Such fee shall be based on the availability of federal funding for such purpose and the projected administrative needs for carrying out the purposes of the act; and

(5) The power to determine the maximum amount of any one loan or combination of loans for any single municipality; and

(6) Except as limited by section 81-15,151, the power to obligate the Wastewater Treatment Facilities Construction Loan Fund and the assets thereof, in whole or in part, to repay with interest bonds, the proceeds of which are deposited into the fund.

Sec. 11. That section 81-15,153, Revised Statutes Supplement, 1988, be amended to read as follows:

81-15,153. The department shall have the following powers and duties:

(1) The power to establish a program to make

loans to municipalities, individually or jointly, for construction or modification of publicly owned wastewater treatment works in accordance with the Wastewater Treatment Facilities Construction Assistance Act and the rules and regulations of the council adopted and promulgated pursuant to such act;

(2) The power, if so authorized by the council pursuant to section 81-15,152, to execute and deliver documents obligating the Wastewater Treatment Facilities Construction Loan Fund and the assets thereof to the extent permitted by section 81-15,151 to repay, with interest, loans to or deposits into the fund and to execute and deliver documents pledging to the extent permitted by section 81-15,151 all or part of the fund and its assets to secure, directly or indirectly, the loans or deposits;

~~(2)~~ (3) The duty to prepare an annual report for the Governor and the Legislature;

~~(3)~~ (4) The duty to establish fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods, including the following:

(a) Accounting from the Nebraska Investment Finance Authority for the costs associated with the issuance of bonds pursuant to the act;

(b) Accounting for payments or deposits received by the fund;

~~(b)~~ (c) Accounting for disbursements made by the fund; and

(e) (d) Balancing the fund at the beginning and end of the accounting period;

(4) (5) The duty to establish financial capability requirements that assure sufficient revenue to operate and maintain a facility for its useful life and to repay the loan for such facility;

(5) (6) The power to determine the rate of interest to be charged on a loan in accordance with the rules and regulations adopted and promulgated by the council;

(6) (7) The power to enter into required agreements with the United States Environmental Protection Agency pursuant to section 602 of the Clean Water Act;

(8) The power to make state allocations concurrent with loans to municipalities with populations of eight hundred inhabitants or less which demonstrate serious financial hardships. The annual obligation to the state shall not exceed three hundred thousand dollars. The department may authorize grants for up to

one-half of the eligible project cost. Such state allocations shall contain a provision that payment of the amount allocated is conditional upon the availability of appropriated funds. All funds appropriated shall be administered on a cash-flow basis utilizing General Funds appropriated to Agency No. 84 -- Department of Environmental Control, Program No. 523 - Wastewater Facilities Construction Assistance Program, to meet payment requirements as they occur. The department shall submit to the Governor and the Clerk of the Legislature a semiannual report on January 1 and July 1 of each fiscal year containing information which shows the financial status of the program, including a statement of the fund balance, an itemized list of all conditional grants made to municipalities, including actual and estimated amounts and the time of payouts, the necessary appropriations required to meet those grants, and any other information which will reflect the progress and financial status of the program. Each member of the Legislature shall receive a copy of the report required by this subdivision by making a request for it to the department; and

(7) (9) Such other powers as may be necessary and appropriate for the exercise of the duties created under the Wastewater Treatment Facilities Construction Assistance Act.

Sec. 12. If funds are loaned to or otherwise deposited in the Wastewater Treatment Facilities Construction Loan Fund with an obligation to repay such loan or deposit, the obligation to repay the amount of the loan or deposit and the interest thereon shall, upon authorization by the council and execution and delivery by the department of an agreement to repay the loan or deposit, be a valid and binding obligation of the fund and payable in accordance with the terms of the agreement executed by the department.

Sec. 13. Any pledge of the Wastewater Treatment Facilities Construction Loan Fund or any part thereof or any pledge of the assets of the fund made by the department as authorized by the council shall be valid and binding from the time the pledge is made. The revenue, money, or assets so pledged and thereafter received by the fund shall immediately be subject to a lien of such pledge without any physical delivery thereof or further act, and the lien shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the fund or the assets thereof, regardless of whether the parties have notice of the lien. Neither the action by the council,

the pledge agreement executed by the department, nor any other instrument by which a pledge is created need be recorded.

Sec. 14. That section 84-1409, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1409. As used in For purposes of sections 79-327, 84-1408 to 84-1414, and 85-104, unless the context otherwise requires:

(1) Public body shall mean (a) governing bodies of all political subdivisions of the State of Nebraska, (b) governing bodies of all agencies, now or hereafter created by the Constitution of Nebraska, statute, or otherwise pursuant to law, of the executive department of the State of Nebraska, (c) all independent boards, commissions, bureaus, committees, councils, subunits, Certificate of Need appeal panels, or any other bodies, now or hereafter created by the Constitution of Nebraska, statute, or otherwise pursuant to law, (d) all study or advisory committees of the executive department of the State of Nebraska whether having continuing existence or appointed as special committees with limited existence, and (e) advisory committees of the bodies referred to in subdivisions (a), (b), and (c) of this subdivision, and (f) instrumentalities exercising essentially public functions. Sections 79-327, 84-1408 to 84-1414, and 85-104 shall not apply to subcommittees of such bodies unless such subcommittees are holding hearings, making policy, or taking formal action on behalf of their parent body nor shall such sections apply to judicial proceedings; unless a court or other judicial body is exercising rulemaking authority, deliberating, or deciding upon the issuance of administrative orders; and

(2) Meeting shall mean all regular, special, or called meetings, formal or informal, of any public body for the purposes of briefing, discussion of public business, formation of tentative policy, or the taking of any action of the public body.

Sec. 15. If any section in this act or any part of any section shall be declared invalid or unconstitutional, such declaration shall not affect the validity or constitutionality of the remaining portions thereof.

Sec. 16. That original sections 58-201, 58-202, 58-203, 58-214, 58-219, and 84-1409, Reissue Revised Statutes of Nebraska, 1943, and sections 81-15,147, 81-15,148, 81-15,151, 81-15,152, and 81-15,153, Revised Statutes Supplement, 1988, are

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repealed.