

LEGISLATIVE BILL 87

Approved by the Governor March 24, 1999

Introduced by Wickersham, 49; Schimek, 27

AN ACT relating to government; to amend sections 13-303, 13-318, 13-319, 13-903, 13-2004, 13-2025.01, 14-102, 14-1805, 16-6,110, 17-174, 18-2704, 19-3801, 23-2809, 23-3637, 29-215, 35-514.02, 35-1204, 37-334, 39-2114, 46-1502, 47-603, 48-193, 51-201, 58-202, 58-219, 58-239, 58-503, 60-335, 72-1403, 73-101, 74-1305, 77-2704.15, 79-1233, 81-829.39, 81-8,210, 81-8,239.01, 81-8,303, 81-1164, and 81-2216, Reissue Revised Statutes of Nebraska, and sections 13-520, 13-2401, 18-1716, 70-628.04, 77-3442, 79-1028, 79-1204, 81-1117, 81-1391, 84-1202, and 84-1411, Revised Statutes Supplement, 1998; to adopt the Joint Public Agency Act; 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. Sections 1 to 50 of this act shall be known and may be cited as the Joint Public Agency Act.

Sec. 2. It is the purpose of the Joint Public Agency Act to permit local governmental units to make the most efficient use of their taxing authority and other powers by enabling them to cooperate with other governmental units on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities.

Sec. 3. For purposes of the Joint Public Agency Act:

(1) Board means the board of representatives of a joint public agency;

(2) Governing body has the same meaning as in section 13-503 and, when referring to state agencies, includes the governing board of a state agency or the Governor and, when referring to federal agencies, includes the governing board of a federal agency or the President of the United States;

(3) Joint public agency means an entity created by agreement pursuant to the act;

(4) Person means a natural person, public authority, private corporation, association, firm, partnership, limited liability company, or business trust of any nature whatsoever organized and existing under the laws of this state or of the United States or any other state thereof. The term does not include a joint public agency;

(5) Public agency means any county, city, village, school district, or agency of the state government or of the United States, any drainage district, sanitary and improvement district, or other municipal corporation or political subdivision of this state, and any political subdivision of another state;

(6) Representative means a member of the board and includes an alternate representative; and

(7) State means a state of the United States and the District of Columbia.

Sec. 4. (1) Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the Joint Public Agency Act. Appropriate action by ordinance, resolution, or otherwise pursuant to law of the governing bodies of the participating public agencies shall be necessary before any such agreement may enter into force.

(2) Any such agreement shall specify the following:

(a) Its duration;

(b) The general organization, composition, and nature of any joint public agency created by the agreement together with the powers delegated to the entity;

(c) Its purpose or purposes;

(d) The manner of financing the joint undertaking and of establishing and maintaining a budget;

(e) The permissible method or methods to be employed in amending the agreement or accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination consistent with section 18 of this act;

(f) The manner of levying, collecting, and accounting for any tax authorized under sections 13-318 to 13-326 and any allocation of tax authority under section 7 of this act; and

(g) Any other necessary and proper matters.

(3) No agreement made pursuant to the Joint Public Agency Act shall relieve any public agency of any obligation or responsibility imposed upon it by law except to the extent of actual and timely performance by a joint public agency created by an agreement made pursuant to the act, which performance may be offered in satisfaction of the obligation or responsibility.

(4) Participating public agencies may transfer property, other assets, and employees to a joint public agency as provided in the agreement. Notwithstanding other provisions of law, if employees are transferred any vested employment rights shall be transferred with the employee and the employee shall be vested with the joint public agency at the time of transfer.

Sec. 5. Notwithstanding any restrictions contained in a city charter, any power, privilege, or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state and jointly with any public agency of any other state or of the United States to the extent that laws of such other state or of the United States permit such joint exercise or enjoyment. Any agency of state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges, and authority conferred by the Joint Public Agency Act upon a public agency.

Sec. 6. The Legislature may amend or repeal the Joint Public Agency Act or any law governing public agencies, and any agreement which creates a joint public agency is subject to the amendment or repeal of a law governing participating public agencies by subsequent acts of the Legislature, the United States, or another state, except that no act of the Legislature may impair any contractual obligation of a joint public agency or any participant thereof, including a contract for bonded indebtedness.

Sec. 7. (1) A joint public agency shall have only those powers of taxation as one or more of the participating public agencies has and only as specifically provided in the agreement proposing creation of the joint public agency, except that a joint public agency shall not levy a local option sales tax. Participating public agencies may agree to allow the joint public agency to levy a property tax rate not to exceed a limit as provided in the agreement if the agreement also limits the levy authority of the overlapping participating public agencies collectively to the same amount. The levy authority of a joint public agency shall be allocated by the city or county as provided in section 77-3443, and the agreement may require allocation of levy authority by the city or county.

(2) If one or more of the participating public agencies is a municipality, the agreement may allow any occupation or wheel tax to be extended over the area encompassed by the joint public agency at a rate uniform to that of the city or village for the purpose of providing revenue to finance the services to be provided by the joint public agency. The tax shall not be extended until the procedures governing enactment by the municipality are followed by the joint public agency, including any requirement for a public vote.

(3) If the agreement calls for the allocation of property tax levy authority to the joint public agency, the amount of the allocation to the joint public agency and from each participating public agency shall be reported to the Property Tax Administrator.

Sec. 8. Any combination of two or more public agencies may create one or more joint public agencies to exercise the powers and authority prescribed by the Joint Public Agency Act.

Sec. 9. (1) The governing body of each public agency participating in the creation of a joint public agency shall adopt a resolution determining that there is a need for a joint public agency and setting forth the names of the proposed participating public agencies. The resolution shall be published in three issues, not less than seven days between issues, of a legal newspaper for each proposed participating public agency or a newspaper having general circulation in the area served by a proposed participating public agency if no legal newspaper exists for the participating public agency and of one or more newspapers of general circulation in the area to be served by the joint public agency. Any such resolution shall not be adopted by a public agency prior to five days after the last publication by the proposed participating public agency. In the case of a state agency, the governing board shall adopt the resolution, or if there is no governing board, the Governor shall issue a proclamation without notice in lieu of a resolution. In the case of a federal agency, the governing board shall adopt the resolution or, if there is no governing board, the President of the United States shall issue a proclamation without notice in lieu of a resolution. The resolution may be adopted by a governing body on its own motion upon determining, in its discretion, that a need exists for a joint public agency. In determining whether such a need

exists, a governing body may take into consideration the present and future needs of the public agency with respect to the materials, goods, property, and services which a joint public agency may utilize or provide, the adequacy, suitability, and availability of such materials, goods, property, and services to meet the needs of the participating public agency if no joint public agency is formed, and economic or other advantages or efficiencies which may be realized by cooperative action through a joint public agency.

(2) Upon issuance of a certificate of creation by the Secretary of State, the Governor in the case of a participating state agency which does not have a governing board, the President of the United States or federal agency head in the case of a federal agency, the mayor or city manager in the case of a city which has not elected to be governed as a village, or the chairperson of the governing body of each participating public agency shall appoint representatives as provided by the agreement for creation of the joint public agency. Representatives, other than representatives appointed by the Governor, the President of the United States, or a federal agency head, must be members of the governing body of the participating public agency which they are appointed to represent. Upon issuance of an amended certificate of creation pursuant to section 13 of this act, a representative shall be appointed by each additional participating public agency as provided in this section. An alternate representative with the same qualifications may be appointed in the same manner as a representative and shall serve and exercise all powers of a representative in the absence of the representative for whom he or she is the alternate. The representatives shall constitute the board in which shall be vested all powers of the joint public agency.

Sec. 10. Within thirty days after adoption of the resolutions for creation of a joint public agency by the proposed participating public agencies, the board shall file with the Secretary of State a statement signed by the representatives setting forth (1) the names of all the proposed participating public agencies, (2) a certified copy of each of the resolutions of the participating public agencies determining the need for such a joint public agency, (3) proof of publication as required in subsection (1) of section 9 of this act, (4) a brief description of the nature of the joint public agency's activities, and (5) the name of the joint public agency.

Sec. 11. The Secretary of State shall examine the statement and, if he or she finds that the name proposed for the joint public agency is distinguishable from any other entity name registered or on file with the Secretary of State pursuant to Nebraska law and that the statement conforms to the requirements of the Joint Public Agency Act, the Secretary of State shall record it and issue and record a certificate of creation. The certificate shall state the name of the joint public agency, the fact and date of creation, and the names of the participating public agencies. Upon the issuance of the certificate, the existence of the joint public agency as a political subdivision and a body corporate and politic of this state shall commence. Notice of the issuance of the certificate shall be given to all of the proposed participating public agencies by the Secretary of State and shall be published in one issue of a legal newspaper for each proposed participating public agency or a newspaper having general circulation in the area served by a proposed participating public agency if no legal newspaper exists for the participating public agency and of one or more newspapers of general circulation in the area to be served by the joint public agency.

Sec. 12. In any suit, action, or proceeding involving the validity or enforcement of, or relating to, any contract of the joint public agency, the joint public agency shall be conclusively deemed to have been established, except as against the state, in accordance with the Joint Public Agency Act upon proof of the filing of the certificate of creation by the Secretary of State. A copy of the certificate or amended certificate, duly certified by the Secretary of State, shall be admissible in evidence in any suit, action, or proceeding and shall be conclusive proof of the filing and contents thereof.

Sec. 13. After the creation of a joint public agency, any other public agency may become a participating public agency therein upon (1) the adoption of a resolution by the governing body of the public agency setting forth the determination prescribed in section 9 of this act and authorizing the public agency to become a participating public agency after notice as described in subsection (1) of section 9 of this act, (2) application to the joint public agency, and (3) adoption by a majority vote of the representatives, unless the joint public agency's rules of governance require a greater percentage, of a resolution by the board admitting the public agency as a participating public agency. Thereupon the public agency shall become a participating public agency entitled to appoint a representative or representatives in the manner prescribed by sections 9 and 15 of this act and

to otherwise participate in the joint public agency to the same extent as if the public agency had participated in the creation of the joint public agency. Upon the filing with the Secretary of State of certified copies of the resolutions described in this section and proof of publication of notice, the Secretary of State shall issue an amended certificate of creation setting forth the names of the participating public agencies, the date of creation, and the name of the joint public agency. Notice shall be given as provided in section 11 of this act.

Sec. 14. Each representative shall serve for a term specified in the agreement creating the joint public agency, not to exceed four years, or until his or her successor has been appointed and has qualified in the same manner as the original appointment. A representative shall be eligible for reappointment upon the expiration of his or her term. A certificate of the appointment or reappointment of any representative or alternate representative shall be issued by the governing body and shall be filed with the clerk or secretary of the public agency for which the representative acts and the joint public agency. The certificate shall be conclusive evidence of the due and proper appointment of the representative. A representative may be removed for any cause at any time by the governing body of the participating public agency for which the representative acts. A representative shall be removed if he or she is no longer a member of the governing body of the public agency which makes the appointment. A vacancy shall be filled for the balance of the unexpired term of a person who is no longer eligible to hold office in the same manner as the original appointment, until the term as representative expires, or until removed by the participating public agency which appointed him or her. A representative shall receive no compensation for his or her services but shall be entitled to actual and necessary expenses incurred in the discharge of his or her official duties, including mileage at the rate provided in section 81-1176.

Sec. 15. (1) Each participating public agency shall at all times be entitled to appoint at least one representative. A joint public agency's rules of governance may allow any participating public agency to appoint additional representatives and shall specify the number of representatives to be appointed by each participating public agency. The number of representatives may be increased or decreased from time to time by an amendment to the rules of governance approved by each participating public agency as evidenced by a resolution of the governing body thereof unless the agreement provides for approval by less than all participating public agencies.

(2) Each representative shall be entitled to one vote. With the approval of each participating public agency as evidenced by a resolution of the governing body thereof unless the agreement provides for approval by less than all participating public agencies, a joint public agency's rules of governance may allow the representative of any participating public agency to cast more than one vote and shall specify the number of votes such representative may cast.

(3) A quorum of the board is required for conducting the business and exercising the powers of the joint public agency and for all other purposes. Unless the rules of governance require a larger quorum, the presence at the meeting of the number of representatives entitled to cast a majority of the total votes which may be cast by all of the representatives constitutes a quorum. Action may be taken upon a vote of a majority of the votes which the representatives present are entitled to cast unless the rules of governance require a larger vote.

(4) The manner of scheduling regular meetings and the method of calling special board meetings, including the giving or waiving of notice, shall be as provided in the rules of governance within the constraints of sections 84-1408 to 84-1414.

Sec. 16. The board shall elect a chairperson and vice-chairperson from among its representatives. The joint public agency may employ an executive director. The board shall elect a secretary who shall either be from among the representatives or the executive director. The joint public agency may employ or obtain the services of legal counsel, technical experts, and such other officers, agents, and employees as it may require and shall determine their qualifications, duties, compensation, and term of office. The board may delegate to its officers, agents, or employees such powers and duties as the board deems proper.

Sec. 17. (1) The board may create an executive committee the composition of which shall be set forth in the joint public agency's rules of governance. The executive committee shall have and exercise the power and authority of the board during intervals between the board's meetings in accordance with the rules of governance, motions, or resolutions creating the

executive committee. The terms of office of the members of the executive committee and the method of filling vacancies shall be fixed by the rules of governance.

(2) The board may also create one or more committees to which the board may delegate such powers and duties as the board shall specify. In no event shall any committee be empowered to authorize the issuance of bonds. The membership and voting requirements for action by a committee shall be specified by the board.

(3) The board shall be subject to sections 84-1408 to 84-1414.

Sec. 18. Unless the agreement provides for dissolution, a joint public agency shall be dissolved upon the adoption, by the governing bodies of at least one-half of the participating public agencies, of a resolution setting forth the determination that the need for the public agencies to act cooperatively through a joint public agency no longer exists. A joint public agency shall not be dissolved so long as the agency has bonds outstanding unless provision for full payment of the bonds and interest thereon, by escrow or otherwise, has been made pursuant to the terms of the bonds or the resolution, indenture, or security instrument securing the bonds. If the governing bodies of one or more, but less than a majority, of the participating public agencies adopt such a resolution, such public agencies shall be permitted to withdraw from participation in the joint public agency, but withdrawal shall not affect the obligations of the withdrawing public agency pursuant to any contracts or other agreements with the joint public agency. Withdrawal shall not impair the payment of any outstanding bonds or interest thereon. In the event of the dissolution of a joint public agency, its board shall provide for the disposition, division, or distribution of the joint public agency's assets among the participating public agencies by such means as the board shall determine, in its sole discretion, to be fair and equitable or as provided in the agreement for creation of the joint public agency.

Sec. 19. A joint public agency shall constitute a political subdivision and a public body corporate and politic of this state exercising public powers separate from the participating public agencies. A joint public agency shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a political subdivision and a public body corporate and politic exercising powers and acting on behalf of the participating public agencies.

Sec. 20. A joint public agency may be sued subject to the Political Subdivisions Tort Claims Act.

Sec. 21. The powers of a joint public agency shall include the power:

- (1) To sue;
- (2) To have a seal and alter the same at pleasure or to dispense with the necessity thereof;
- (3) To make and execute contracts and other instruments necessary or convenient to the exercise of its powers;
- (4) From time to time, to make, amend, and repeal rules of governance not inconsistent with the Joint Public Agency Act or the terms of the agreement for its creation to carry out and effectuate its powers and purposes;
- (5) To adopt and promulgate rules and regulations as authorized for at least one of the participating public agencies and as provided in the agreement;
- (6) To acquire, own, hold, use, lease, as lessor or lessee, sell, or otherwise dispose of, mortgage, pledge, or grant a security interest in any real or personal property, commodity, product, or service or any interest therein or right thereto as provided by law;
- (7) To incur debts, liabilities, or obligations, including the borrowing of money and the issuance of bonds, secured or unsecured, pursuant to the Joint Public Agency Act;
- (8) To borrow money or accept contributions, grants, or other financial assistance from a public agency and to comply with such conditions and enter into such contracts, covenants, mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable;
- (9) To fix, maintain, revise, and collect fees, rates, rents, and charges for functions, services, or facilities provided by the joint public agency;
- (10) Subject to any agreements with holders of outstanding bonds, to invest any funds held in reserve or sinking funds, or any funds not required for immediate disbursement, including the proceeds from the sale of any bonds, in such obligations, securities, and other investments as the board shall deem proper;

(11) To join and pay dues to organizations, membership in which is deemed by the board to be beneficial to the accomplishment of the joint public agency's purposes; and

(12) To exercise any other powers which are deemed necessary and convenient to carry out the Joint Public Agency Act.

A joint public agency may perform any governmental service, activity, or undertaking which at least one of the participating public agencies is authorized to perform. In exercising its powers under this section to perform any governmental service, activity, or undertaking, a joint public agency shall be subject to the same procedures, regulations, and restrictions as the participating public agency which is granted the power by law to perform the governmental service, activity, or undertaking.

Sec. 22. The board may provide its representatives, its officers, and agents and employees of the joint public agency and participating public agencies, either collectively or individually, with personal liability insurance coverage insuring against any liability and claim arising by reason of any act or omission in any manner relating to the performance, attempted performance, or failure of performance of official duties as a participating public agency, representative, officer, agent, or employee and may authorize the payment of the premium, cost, and expense of insurance from the general fund of the joint public agency. The agreement may provide that such coverage be the responsibility of one or more of the participating public agencies.

Sec. 23. The agreement creating a joint public agency may provide that insurance, retirement, indemnification, and other benefits be provided by one or more participating public agencies. If the agreement so provides, the insurance, retirement, indemnification, or other benefits applicable to the participating public agencies shall include the officers or employees of the joint public agency as provided in the agreement.

Sec. 24. A joint public agency may file a petition in the United States Bankruptcy Court under 11 U.S.C. chapter 9 and any acts amendatory thereto and supplementary thereof and may incur and pay the expenses incident to the consummation of a plan of adjustment of debts as contemplated by the petition.

Sec. 25. (1) Commencing in 2001 and each odd-numbered year thereafter, each joint public agency shall deliver to the Secretary of State a biennial report on a form prescribed and furnished by the Secretary of State that sets forth:

(a) The name of the joint public agency;

(b) The street address of its principal office and the name of its manager or executive director, if any, at the office in this state;

(c) The names and business or residence addresses of its representatives and principal officers;

(d) A brief description of the nature of its activities; and

(e) The names of the participating public agencies.

(2) The information in the biennial report must be current on the date the biennial report is executed on behalf of the joint public agency.

(3) The first biennial report must be delivered to the Secretary of State between January 1 and April 1 of the odd-numbered year following the calendar year in which the joint public agency was authorized to transact business. Subsequent biennial reports must be delivered to the Secretary of State between January 1 and April 1 of the following odd-numbered years. The biennial report is due on April 1 of the odd-numbered year in which it must be delivered to the Secretary of State as required by this section.

(4) If a biennial report does not contain the information required by this section, the Secretary of State shall promptly notify the reporting joint public agency in writing and return the report to it for correction. If the report is corrected to contain the information required by this section and delivered to the Secretary of State within thirty days after the effective date of notice, it is deemed to be timely filed.

(5) Upon the delivery of the biennial report as provided in this section, the Secretary of State shall charge and collect a fee of twenty dollars. The fee is due on April 1 of the odd-numbered year in which the biennial report must be delivered to the Secretary of State as required by this section.

Sec. 26. If all participating public agencies are of the same type, the bidding procedures for that type of public agency apply to the joint public agency. If the participating public agencies are not all of the same type, the bidding requirements set out in the County Purchasing Act apply to the joint public agency.

Sec. 27. (1) All money of the joint public agency shall be paid out or expended only by check, draft, warrant, or other instrument in writing, signed by the chairperson and the treasurer, assistant treasurer, or such

other officer, employee, or agent of the joint public agency as is authorized by the treasurer to sign in his or her behalf. The authorization by the treasurer shall be in writing and filed with the secretary of the joint public agency.

(2) In the event that there is no treasurer's bond that expressly insures the joint public agency against loss resulting from the fraudulent, illegal, negligent, or otherwise wrongful or unauthorized acts or conduct by or on the part of any person authorized to sign checks, drafts, warrants, or other instruments in writing, there shall be procured and filed with the secretary of the joint public agency, together with the written authorization filed with the secretary, a surety bond, effective for protection against the loss, in such form and penal amount and with such corporate surety as shall be approved in writing by the signed endorsement thereon of any two officers of the joint public agency other than the treasurer. The secretary shall report to the board at each meeting any such bonds filed, or any change in the status of any such bonds, since the last previous meeting of the board.

Sec. 28. In the event that an agreement made pursuant to the Joint Public Agency Act deals in whole or in part with the provision of services or facilities with regard to which an officer or agency of the state government has constitutional or statutory powers of control, the agreement shall, as a condition precedent to its entry into force, be submitted to the state officer or agency having such power of control and shall be approved or disapproved by the officer or agency as to all matters within the officer's or agency's jurisdiction.

Sec. 29. Any public agency entering into an agreement pursuant to the Joint Public Agency Act may appropriate funds and may sell, lease, give, or otherwise supply the board, joint public agency, or other legal or administrative entity created to operate the joint or cooperative undertaking by providing such personnel or services therefor as it may employ or contract to furnish.

Sec. 30. Any joint public agency may issue such types of bonds as its board may determine subject only to any agreement with the holders of outstanding bonds, including bonds as to which the principal and interest are payable exclusively from all or a portion of the revenue from one or more projects, from one or more revenue-producing contracts, including securities acquired from any person, or leases made by the joint public agency with any person, including any of the public agencies which are parties to the agreement creating the joint public agency, or from its revenue generally or which may be additionally secured by a pledge of any grant, subsidy, or contribution from any person or a pledge of any income or revenue, funds, or money of the joint public agency from any source whatsoever or a mortgage or security interest in any real or personal property, commodity, product, or service or interest therein.

Any bonds issued by such joint public agency shall be issued on behalf of the joint public agency solely for the specific purpose or purposes for which the joint public agency has been created. Such specific purposes may include, but shall not be limited to, solid waste collection, management, and disposal; waste recycling; sanitary sewage treatment and disposal; correctional facilities; water treatment plants and distribution systems; drainage systems; flood control projects; fire protection services; ground water quality management and control; hospital and other health care services; bridges, roads, and streets; and law enforcement.

Sec. 31. Any joint public agency may from time to time issue its bonds in such principal amounts as its board determines is necessary to provide sufficient funds to carry out any of the joint public agency's purposes and powers, including the establishment or increase of reserves, the payment of interest accrued during construction of a project and for such period thereafter as the board may determine, and the payment of all other costs or expenses of the joint public agency incident to and necessary or convenient to carry out its purposes and powers.

Sec. 32. (1) The representatives or agents of the board and a person executing the bonds shall not be liable personally on such bonds by reason of the issuance thereof.

(2) The bonds shall not be a debt of any political subdivision other than the joint public agency or of this state, and neither this state nor any other political subdivision shall be liable thereon. Bonds shall be payable only out of any funds or properties of the issuing joint public agency. Such limitations shall be plainly stated upon the face of the bonds.

Sec. 33. Bonds shall be authorized by resolution of the board and may be issued under a resolution, indenture, or other security instrument in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or

denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment and at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, indenture, or other security instrument may provide and without limitation by any other law limiting amounts, maturities, or interest rates. Any officer authorized or designated to sign, countersign, execute, or attest any bond or any coupon may utilize a facsimile signature.

Sec. 34. (1) Except as the board may otherwise provide, any bond and any interest coupons thereto attached shall be fully negotiable within the meaning of and for all purposes of article 8, Uniform Commercial Code.

(2) The bonds may be sold at public or private sale as the issuing board may provide and at such price or prices as such board shall determine.

Sec. 35. If any of the officers whose signatures appear on any bonds or coupons cease to be such officers before the delivery of such obligations, such signatures shall nevertheless be valid and sufficient for all purposes to the same extent as if such officers had remained in office until such delivery.

Sec. 36. Any joint public agency may in connection with the issuance of its bonds:

(1) Covenant as to the use of any or all of its property, real or personal;

(2) Redeem the bonds, covenant for their redemption, and provide the terms and conditions thereof;

(3) Covenant to charge or seek necessary approvals to charge rates, fees, and charges sufficient to meet operating and maintenance expenses of the joint public agency, costs of renewals and replacements to a project, interest and principal payments, whether at maturity or upon sinking-fund redemption, on any outstanding bonds or other indebtedness of the joint public agency, and creation and maintenance of any reasonable reserves therefor and to provide for any margins or coverages over and above debt service on the bonds deemed desirable for the marketability or security of the bonds;

(4) Covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds shall become or may be declared due before maturity, as to the terms and conditions upon which such declaration and its consequences may be waived, and as to the consequences of default and the remedies of bondholders;

(5) Covenant as to the mortgage or pledge of or the grant of any other security interest in any real or personal property and all or any part of the revenue from any project or projects or any revenue-producing contract or contracts made by the joint public agency with any person to secure the payment of bonds, subject to such agreements with the holders of outstanding bonds as may then exist;

(6) Covenant as to the custody, collection, securing, investment, and payment of any revenue, assets, money, funds, or property with respect to which the joint public agency may have any rights or interest;

(7) Covenant as to the purposes to which the proceeds from the sale of any bonds then or thereafter to be issued may be applied and the pledge of such proceeds to secure the payment of the bonds;

(8) Covenant as to limitations on the issuance of any additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds;

(9) Covenant as to the rank or priority of any bonds with respect to any lien or security;

(10) Covenant as to the procedure by which the terms of any contract with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(11) Covenant as to the custody, safekeeping, and insurance of any of its properties or investments and the use and disposition of insurance proceeds;

(12) Covenant as to the vesting in a trustee or trustees, within or outside the state, of such properties, rights, powers, and duties in trust as the joint public agency may determine;

(13) Covenant as to the appointing and providing for the duties and obligations of a paying agent or paying agents or other fiduciaries within or outside the state;

(14) Make all other covenants and do any and all such acts and things as may be necessary, convenient, or desirable in order to secure its bonds or in the absolute discretion of the joint public agency tend to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated in this section; and

(15) Execute all instruments necessary or convenient in the exercise of the powers in the Joint Public Agency Act granted or in the performance of covenants or duties, which instruments may contain such covenants and provisions as any purchaser of bonds may reasonably require.

Sec. 37. Any joint public agency may issue and sell refunding bonds for the purpose of paying or providing for the payment of any of its bonds at or prior to maturity or upon acceleration or redemption. Refunding bonds may be issued at any time prior to or at the maturity or redemption of the refunded bonds as the board deems appropriate. The refunding bonds may be issued in principal amount not exceeding an amount sufficient to pay or to provide for the payment of (1) the principal of the bonds being refunded, (2) any redemption premium thereon, (3) interest accrued or to accrue to the first or any subsequent redemption date or dates selected by the board in its discretion or to the date or dates of maturity, whichever is determined to be most advantageous or convenient for the joint public agency, (4) the expenses of issuing the refunding bonds, including bond discount, and redeeming the bonds being refunded, and (5) such reserves for debt service or other capital or current expenses from the proceeds of such refunding bonds as may be deemed necessary or convenient by the board. A determination by the board that any refinancing is advantageous or necessary to the joint public agency, that any of the amounts provided in this section should be included in such refinancing, or that any of the bonds to be refinanced should be called for redemption on the first or any subsequent redemption date or permitted to remain outstanding until their respective dates of maturity shall be conclusive.

Sec. 38. To the extent not required for the immediate payment and retirement of the obligations being refunded or for the payment of expenses incurred in connection with such refunding and subject to any agreement with the holders of any outstanding bonds, principal proceeds from the sale of any refunding bonds shall be deposited in trust to provide for the payment and retirement of the bonds being refunded, payment of interest and any redemption premiums, and payment of any expenses incurred in connection with such refunding, but provision may be made for the pledging and disposition of any surplus, including, but not limited to, provision for the pledging of any such surplus to the payment of the principal of and interest on any issue or series of refunding bonds. Money in any such trust fund may be invested in direct obligations of or obligations the principal of and interest on which are guaranteed by the United States Government, in obligations of any agency or instrumentality of the United States Government, or in certificates of deposit issued by a bank, capital stock financial institution, or trust company if such certificates are secured by a pledge of any of such obligations having an aggregate market value, exclusive of accrued interest, equal at least to the principal amount of the certificates so secured. Nothing in this section shall be construed as a limitation on the duration of any deposit in trust for the retirement of obligations being refunded but which have not matured and which are not presently redeemable or, if presently redeemable, have not been called for redemption. The provisions of section 77-2366 shall apply to deposits in capital stock financial institutions.

Sec. 39. Refunding bonds may be exchanged for and in payment and discharge of any of the outstanding obligations being refunded. The refunding bonds may be exchanged for a like, greater, or smaller principal amount of the bonds being refunded as the board may determine in its discretion. The holder or holders of the bonds being refunded need not pay accrued interest on the refunding bonds if and to the extent that interest is due or accrued and unpaid on the bonds being refunded and to be surrendered.

Sec. 40. The issue of refunding bonds, the manner of sale, the maturities, interest rates, form, and other details thereof, the security therefor, the rights of the holders thereof, and the rights, duties, and obligations of the joint public agency in respect of the same shall be governed by the Joint Public Agency Act relating to the issue of bonds other than refunding bonds insofar as the same may be applicable.

Sec. 41. Bonds may be issued under the Joint Public Agency Act without obtaining the consent of any department, division, commission, board, bureau, or instrumentality of this state and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required therefor by the act, and the validity of and security for any bonds shall not be affected by the existence or nonexistence of any such consent or other proceedings, conditions, or things.

Sec. 42. The board may provide for the publication of any resolution or other proceeding adopted by it pursuant to the Joint Public Agency Act in a newspaper of general circulation published in the area served

by the joint public agency or, if no newspaper is so published, in a newspaper qualified to carry legal notices having general circulation in the area served by the joint public agency.

Sec. 43. In the case of a resolution or other proceeding providing for the issuance of bonds pursuant to the Joint Public Agency Act, the board may, either before or after the adoption of such resolution or other proceeding, in lieu of publishing the entire resolution or other proceeding, publish a notice of intention to issue bonds under the act, titled as such, containing:

- (1) The name of the joint public agency;
- (2) The purpose of the issue, including a brief description of the project and the name of the public agencies to be serviced by the project;
- (3) The principal amount of bonds to be issued;
- (4) The maturity date or dates and amount or amounts maturing on such dates;
- (5) The maximum rate of interest payable on the bonds; and
- (6) The times and place where a copy of the form of the resolution or other proceeding providing for the issuance of the bonds may be examined which shall be at an office of the joint public agency, identified in the notice, during regular business hours of the joint public agency as described in the notice and for a period of at least thirty days after the publication of the notice.

Sec. 44. For a period of thirty days after such publication, any interested person shall have the right to contest the legality of such resolution or proceeding or any bonds which may be authorized thereby, any provisions made for the security and payment of such bonds, or any contract of purchase, sale, or lease relating to the issuance of such bonds. After such time no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

Sec. 45. Bonds issued pursuant to the Joint Public Agency Act shall be securities in which all public officers and instrumentalities of the state and all political subdivisions, insurance companies, trust companies, banks, savings and loan associations, investment companies, executors, administrators, personal representatives, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds shall be securities which may properly and legally be deposited with and received by any officer or instrumentality of this state or any political subdivision for any purpose for which the deposit of bonds or obligations of this state or any political subdivision thereof is now or may hereafter be authorized by law.

Sec. 46. (1) All bonds of a joint public agency are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempt from all taxes.

(2) The property of a joint public agency, including any pro rata share of any property owned by a joint public agency in conjunction with any other person, is declared to be public property of a governmental subdivision of the state used for essential public and governmental purposes, and such property and the income of a joint public agency shall be exempt from all taxes and assessments of the state or any political subdivision of the state.

Sec. 47. The provisions of the Joint Public Agency Act shall be deemed to provide an additional, alternative, and complete method for the doing of the things authorized by the act and shall be deemed and construed to be supplemental and additional to, and not in derogation of, powers conferred upon political subdivisions, agencies, and others by law. Insofar as the provisions of the Joint Public Agency Act are inconsistent with the provisions of any general or special law, administrative order, or regulation, the provisions of the Joint Public Agency Act shall be controlling.

Sec. 48. The State of Nebraska does hereby pledge to and agree with the holders of any bonds and with those persons who may enter into contracts with any joint public agency under the Joint Public Agency Act that the state will not alter, impair, or limit the rights thereby vested until the bonds, together with applicable interest, are fully met and discharged and such contracts are fully performed. Nothing contained in the Joint Public Agency Act shall preclude such alteration, impairment, or limitation if and when adequate provisions are made by law for the protection of the holders of the bonds or persons entering into contracts with any joint public agency. Each joint public agency may include this pledge and undertaking for the state in such bonds or contracts.

Sec. 49. A joint public agency created by public agencies pursuant to the Joint Public Agency Act shall not be considered a state agency, and an employee of such an entity or agency shall not be considered a state employee.

Sec. 50. The Joint Public Agency Act is necessary for the welfare

of the state and its inhabitants and shall be construed liberally to effect its purposes.

Sec. 51. Section 13-303, Reissue Revised Statutes of Nebraska, is amended to read:

13-303. The county boards of counties and the governing bodies of cities and villages may establish an emergency medical service as a governmental service either within or without the county or municipality, as the case may be. The county board or governing body may contract with any city, person, firm, or corporation licensed as an emergency medical service for emergency medical care by out-of-hospital emergency care providers. Each may enter into an agreement with the other under the Interlocal Cooperation Act or Joint Public Agency Act for the purpose of establishing an emergency medical service or may provide a separate service for itself. Public funds may be expended therefor, and a reasonable service fee may be charged to the user. Before any such service is established under the authority of this section, the county board or the governing bodies of cities and villages shall hold a public hearing after giving at least ten days' notice thereof, which notice shall include a brief summary of the general plan for establishing such service, including an estimate of the initial cost and the possible continuing cost of operating such service. If the board or governing body after such hearing determines that an emergency medical service for emergency medical care by out-of-hospital emergency care providers is needed, it may proceed as authorized in this section. The authority granted in this section shall be cumulative and supplementary to any existing powers heretofore granted. Any county board of counties and the governing bodies of cities and villages may pay their cost for such service out of available general funds or may levy a tax for the purpose of providing the service, which levy shall be in addition to all other taxes and shall be in addition to restrictions on the levy of taxes provided by statute, except that when a fire district provides the service the county shall pay the cost for the county service by levying a tax on that property not in a fire district providing the service. The levy shall be subject to section 77-3443.

Sec. 52. Section 13-318, Reissue Revised Statutes of Nebraska, is amended to read:

13-318. (1) Any county and any municipalities and fire protection districts within the county may provide for the joint financing and operation of public safety services pursuant to an agreement under the Interlocal Cooperation Act or Joint Public Agency Act.

(2) Joint public safety services shall be operated by a public safety commission consisting of at least three members who represent the county and the participating municipalities and fire protection districts as provided in the agreement. Only elected officials are eligible to serve on the commission. In counties with more than one hundred thousand inhabitants, the county and participating municipalities and fire protection districts may appoint a separate fire protection and emergency services commission of at least three members to operate or coordinate fire protection or emergency services in the county and participating municipalities and fire protection districts. If the public safety services to be provided include fire protection, at least one representative of each fire protection district shall be a member of the commission. The commission may employ officers and other employees necessary to carry out its duties and responsibilities for public safety services or fire protection or emergency services and may enter into contracts, acquire and dispose of property, and receive funds appropriated to it by the county and any participating municipality or fire protection district, granted or appropriated to it by the state or federal government or an agency thereof, given to it by any individual, or collected from the sales and use tax authorized by section 13-319. If fire protection services or emergency services are to be provided, the commission shall appoint an individual trained in fire protection or emergency services with at least five years of experience in providing such services who shall coordinate fire protection and financing of the services in the county. The individual shall serve at the pleasure of the commission. The commission shall have other powers as are granted to the county and any of the participating municipalities or fire protection districts acting independently except as limited by the agreement.

Sec. 53. Section 13-319, Reissue Revised Statutes of Nebraska, is amended to read:

13-319. Any county by resolution of the governing body may impose a sales and use tax of one-half percent, one percent, or one and one-half percent upon the same transactions within the county, but outside any incorporated municipality which has adopted a local sales tax pursuant to section 77-27,142, on which the state is authorized to impose a tax pursuant

to the Nebraska Revenue Act of 1967, as amended from time to time. Any sales and use tax imposed pursuant to this section must be used to finance public services provided by a public safety commission or to provide the county share of funds required under any other agreement executed under the Interlocal Cooperation Act or Joint Public Agency Act. A sales and use tax shall not be imposed pursuant to this section until an election has been held and a majority of the qualified electors have approved the tax pursuant to sections 13-322 and 13-323.

Sec. 54. Section 13-520, Revised Statutes Supplement, 1998, is amended to read:

13-520. The limitations in section 13-519 shall not apply to (1) restricted funds budgeted for capital improvements, (2) restricted funds expended from a qualified sinking fund for acquisition or replacement of tangible personal property with a useful life of five years or more, (3) restricted funds pledged to retire bonded indebtedness, (4) restricted funds budgeted in support of a service which is the subject of an ~~interlocal cooperation~~ agreement or a modification of an existing agreement whether operated by one of the parties to the agreement or by an independent joint entity or joint public agency, (5) restricted funds budgeted to pay for repairs to infrastructure damaged by a natural disaster which is declared a disaster emergency pursuant to the Emergency Management Act, or (6) restricted funds budgeted to pay for judgments, except judgments or orders from the Commission of Industrial Relations, obtained against a governmental unit which require or obligate a governmental unit to pay such judgment, to the extent such judgment is not paid by liability insurance coverage of a governmental unit.

Sec. 55. Section 13-903, Reissue Revised Statutes of Nebraska, is amended to read:

13-903. For purposes of the Political Subdivisions Tort Claims Act and sections 16-727, 16-728, 23-175, 39-809, and 79-610, unless the context otherwise requires:

(1) Political subdivision shall include villages, cities of all classes, counties, school districts, public power districts, and all other units of local government, including entities created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or Joint Public Agency Act. Political subdivision shall not be construed to include any contractor with a political subdivision;

(2) Governing body shall mean the village board of a village, the city council of a city, the board of commissioners or board of supervisors of a county, the board of directors of a public power district, the governing board or other governing body of an entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or Joint Public Agency Act, and any duly elected or appointed body holding the power and authority to determine the appropriations and expenditures of any other unit of local government;

(3) Employee of a political subdivision shall mean any one or more officers or employees of the political subdivision or any agency of the subdivision and shall include members of the governing body, duly appointed members of boards or commissions when they are acting in their official capacity, volunteer firefighters, and volunteer rescue squad personnel. Employee shall not be construed to include any contractor with a political subdivision; and

(4) Tort claim shall mean any claim against a political subdivision for money only on account of damage to or loss of property or on account of personal injury or death, caused by the negligent or wrongful act or omission of any employee of the political subdivision, while acting within the scope of his or her office or employment, under circumstances in which the political subdivision, if a private person, would be liable to the claimant for such damage, loss, injury, or death but shall not include any claim accruing before January 1, 1970.

Sec. 56. Section 13-2004, Reissue Revised Statutes of Nebraska, is amended to read:

13-2004. Agency shall mean any combination of two or more municipalities or counties acting together under the Interlocal Cooperation Act or the Joint Public Agency Act, a natural resources district acting alone or together with one or more counties and municipalities under ~~the act~~ either of such acts, or any joint entity as defined in section 13-803, or any joint public agency as defined in section 3 of this act.

Sec. 57. Section 13-2025.01, Reissue Revised Statutes of Nebraska, is amended to read:

13-2025.01. Any joint entity or joint public agency created to fulfill the purposes of the Integrated Solid Waste Management Act pursuant to the Interlocal Cooperation Act or Joint Public Agency Act shall comply with

the Municipal Proprietary Function Act for purposes of reporting its budgets. Proprietary budget statements for the joint entity or joint public agency shall be placed on file with the office of the municipal clerk of each member which is a municipality as required by the Municipal Proprietary Function Act and with the county clerk of each member which is a county.

Sec. 58. Section 13-2401, Revised Statutes Supplement, 1998, is amended to read:

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

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

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

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

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

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

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

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

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

(a) If the retirement system of the receiving entity maintains a defined contribution plan, the employee shall transfer all of his or her funds by paying to the retirement system of the receiving entity from funds held by the retirement system of the transferring entity an amount equal to one of the following: (i) If the retirement system of the transferring entity maintains a defined benefit plan, an amount not to exceed the initial benefit transfer value, leaving no funds attributable to the transferred employee within the retirement system of the transferring entity, or (ii) if the retirement system of the transferring entity maintains a defined contribution plan, an amount not to exceed the employee and employer accounts of the transferring employee plus earnings during the period of employment with the transferring entity. The employee shall receive eligibility and vesting credit for his or her years of service in a governmental plan, as defined in section 414(d) of the Internal Revenue Code, maintained by the transferring entity. Payment shall be made within five years after employment begins with the receiving entity or prior to retirement, whichever comes first, and may be made through direct payment, installment payments, or an irrevocable payroll deduction authorization; or

(b) If the retirement system of the receiving entity maintains a defined benefit plan, the employee shall transfer all of his or her funds out of the retirement system of the transferring entity to purchase service credits that will generate a final benefit transfer value not to exceed the employee's initial benefit transfer value in the retirement system of the transferring entity. After such purchase, the employee shall receive

eligibility and vesting credit in the retirement system of the receiving entity for his or her years of service in a governmental plan, as defined in section 414(d) of the Internal Revenue Code, maintained by the transferring entity. The amount to be paid by the member for such service credit shall equal the actuarial cost to the retirement system of the receiving entity for allowing such additional service credit to the employee. If any funds remain in the retirement system of the transferring entity after the employee has purchased service credits in the retirement system of the receiving entity, such remaining funds shall be rolled over into another qualified trust under section 401(a) of the Internal Revenue Code, an individual retirement account, or an individual retirement annuity. Payment shall be made within five years after the transfer of services, but prior to retirement, and may be made through direct payment, installment payments, or an irrevocable payroll deduction authorization.

(5) The transferring entity, the receiving entity, and the employees who are being transferred may by binding agreement determine which parties will provide funds to pay any amount needed to purchase creditable service in the retirement system of the receiving entity sufficient to provide a final benefit transfer value not to exceed the employee's initial benefit transfer value, if the amount of a direct rollover from the retirement system of the transferring entity is not sufficient to provide a final benefit transfer value in the retirement system of the receiving entity.

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

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

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

(9) The receiving entity or its retirement system shall adopt provisions defining procedures for acceptance of rollovers which are consistent with sections 401(a)(31) and 402 of the Internal Revenue Code.

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

Sec. 59. Section 14-102, Reissue Revised Statutes of Nebraska, is amended to read:

14-102. In addition to the powers granted in section 14-101, cities of the metropolitan class shall have power by ordinance:

Taxes, special assessments.

- (1) To levy any tax or special assessment authorized by law;
Corporate seal.

(2) To provide a corporate seal for the use of the city, and also any official seal for the use of any officer, board, or agent of the city, whose duties under this act or under any ordinance require an official seal to be used. Such corporate seal shall be used in the execution of municipal bonds, warrants, conveyances, and other instruments and proceedings as this act or the ordinances of the city require;

Regulation of public health.

(3) To provide all needful rules and regulations for the protection and preservation of health within the city; and for this purpose they may provide for the enforcement of the use of water from public water supplies when the use of water from other sources shall be deemed unsafe;

Appropriations for debts and expenses.

(4) To appropriate money and provide for the payment of debts and expenses of the city;

Protection of strangers and travelers.

(5) To adopt all such measures as they may deem necessary for the accommodation and protection of strangers and the traveling public in person and property;

Concealed weapons, firearms, fireworks, explosives.

(6) To punish and prevent the carrying of concealed weapons and the discharge of firearms, fireworks, or explosives of any description within the city;

Sale of foodstuffs.

(7) To regulate the inspection and sale of meats, flour, poultry, fish, milk, vegetables, and all other provisions or articles of food exposed or offered for sale in the city;

Official bonds.

(8) To require all officers or servants elected or appointed in pursuance of this act to give bond and security for the faithful performance of their duties; but no officer shall become security upon the official bond of another or upon any bond executed to the city;

Official reports of city officers.

(9) To require from any officer of the city at any time a report, in detail, of the transactions of his or her office or any matter connected therewith;

Cruelty to children and animals.

(10) To provide for the prevention of cruelty to children and animals;

Dogs; taxes and restrictions.

(11) To regulate, license, or prohibit the running at large of dogs and other animals within the city as well as in areas within three miles of the corporate limits of the city, to guard against injuries or annoyance from such dogs and other animals, and to authorize the destruction of the dogs and other animals when running at large contrary to the provisions of any ordinance. Any licensing provision shall comply with subsection (2) of section 54-603 for dog guides, hearing aid dogs, and service dogs;

Cleaning sidewalks.

(12) To provide for keeping sidewalks clean and free from obstructions and accumulations, to provide for the assessment and collection of taxes on real estate and for the sale and conveyance thereof, and to pay the expenses of keeping the sidewalk adjacent to such real estate clean and free from obstructions and accumulations as herein provided;

Planting and trimming of trees; protection of birds.

(13) To provide for the planting and protection of shade or ornamental and useful trees upon the streets or boulevards, to assess the cost thereof to the extent of benefits upon the abutting property as a special assessment, and to provide for the protection of birds and animals and their nests; to provide for the trimming of trees located upon the streets and boulevards or when the branches of trees overhang the streets and boulevards when in the judgment of the mayor and council such trimming is made necessary to properly light such street or boulevard or to furnish proper police protection and to assess the cost thereof upon the abutting property as a special assessment;

Naming and numbering streets and houses.

(14) To provide for, regulate, and require the numbering or renumbering of houses along public streets or avenues; to care for and control and to name and rename streets, avenues, parks, and squares within the city;

Weeds.

(15) To require weeds and worthless vegetation growing upon any lot or piece of ground within the city to be cut and destroyed so as to abate any nuisance occasioned thereby, to prohibit and control the throwing, depositing, or accumulation of litter on any lot or piece of ground within the city and to require the removal thereof so as to abate any nuisance occasioned thereby, and if the owner fails to cut and destroy weeds and worthless vegetation or remove litter, or both, after notice as required by ordinance, to assess the cost thereof upon the lots or lands as a special assessment. The notice required to be given may be by publication in the official newspaper of the city and may be directed in general terms to the owners of lots and lands affected without naming such owners;

Animals running at large.

(16) To prohibit and regulate the running at large or the herding or driving of domestic animals, such as hogs, cattle, horses, sheep, goats, fowls, or animals of any kind or description within the corporate limits and provide for the impounding of all animals running at large, herded, or driven contrary to such prohibition; and to provide for the forfeiture and sale of animals impounded to pay the expense of taking up, caring for, and selling such impounded animals, including the cost of advertising and fees of

officers;

Use of streets.

(17) To regulate the transportation of articles through the streets, to prevent injuries to the streets from overloaded vehicles, and to regulate the width of wagon tires and tires of other vehicles;

Playing on streets and sidewalks.

(18) To prevent or regulate the rolling of hoops, playing of ball, flying of kites, the riding of bicycles or tricycles, or any other amusement or practice having a tendency to annoy persons passing in the streets or on the sidewalks or to frighten teams or horses; to regulate the use of vehicles propelled by steam, gas, electricity, or other motive power, operated on the streets of the city;

Combustibles and explosives.

(19) To regulate or prohibit the transportation and keeping of gunpowder, oils, and other combustible and explosive articles;

Public sale of chattels on streets.

(20) To regulate, license, or prohibit the sale of domestic animals or of goods, wares, and merchandise at public auction on the streets, alleys, highways, or any public ground within the city;

Signs and obstruction in streets.

(21) To regulate and prevent the use of streets, sidewalks, and public grounds for signs, posts, awnings, awning posts, scales, or other like purposes; to regulate and prohibit the exhibition or carrying or conveying of banners, placards, advertisements, or the distribution or posting of advertisements or handbills in the streets or public grounds or upon the sidewalks;

Disorderly conduct.

(22) To provide for the punishment of persons disturbing the peace and good order of the city by clamor and noise, intoxication, drunkenness, fighting, or using obscene or profane language in the streets or other public places or otherwise violating the public peace by indecent or disorderly conduct or by lewd and lascivious behavior;

Vagrants and tramps.

(23) To provide for the punishment of vagrants, tramps, common street beggars, common prostitutes, habitual disturbers of the peace, pickpockets, gamblers, burglars, thieves, or persons who practice any game, trick, or device with intent to swindle, persons who abuse their families, and suspicious persons who can give no reasonable account of themselves; and to punish trespassers upon private property;

Disorderly houses, gambling, offenses against public morals.

(24) To prohibit, restrain, and suppress tippling shops, houses of prostitution, opium joints, gambling houses, prize fighting, dog fighting, cock fighting, and other disorderly houses and practices, all games and gambling and desecration of the Sabbath, commonly called Sunday, and all kinds of indecencies; to regulate and license or prohibit the keeping and use of billiard tables, ten pins or ball alleys, shooting galleries, and other similar places of amusement; and to prohibit and suppress all lotteries and gift enterprises of all kinds under whatsoever name carried on, except that nothing in this subdivision shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act;

Police regulation in general.

(25) To make and enforce all police regulations for the good government, general welfare, health, safety, and security of the city and the citizens thereof in addition to the police powers expressly granted herein; and in the exercise of the police power, to pass all needful and proper ordinances and impose fines, forfeitures, penalties, and imprisonment at hard labor for the violation of any ordinance, and to provide for the recovery, collection, and enforcement thereof; and in default of payment to provide for confinement in the city or county prison, workhouse, or other place of confinement with or without hard labor as may be provided by ordinance;

Fast driving on streets.

(26) To prevent horseracing and immoderate driving or riding on the street and to compel persons to fasten their horses or other animals attached to vehicles while standing in the streets;

Libraries, art galleries, and museums.

(27) To establish and maintain public libraries, reading rooms, art galleries, and museums and to provide the necessary grounds or buildings therefor; to purchase books, papers, maps, manuscripts, works of art, and objects of natural or of scientific curiosity, and instruction therefor; to

receive donations and bequests of money or property for the same in trust or otherwise and to pass necessary bylaws and regulations for the protection and government of the same;

Hospitals, workhouses, jails, firehouses, etc.; garbage disposal.

(28) To erect, designate, establish, maintain, and regulate hospitals or workhouses, houses of correction, jails, station houses, fire engine houses, asphalt repair plants, and other necessary buildings; and to erect, designate, establish, maintain, and regulate plants for the removal, disposal, or recycling of garbage and refuse or to make contracts for garbage and refuse removal, disposal, or recycling, or all of the same, and to charge equitable fees for such removal, disposal, or recycling, or all of the same, except as hereinafter provided. The fees collected pursuant to this subdivision shall be credited to a single fund to be used exclusively by the city for the removal, disposal, or recycling of garbage and refuse, or all of the same, including any costs incurred for collecting the fee. Before any contract for such removal, disposal, or recycling is let, the city council shall make specifications therefor, bids shall be advertised for as now provided by law, and the contract shall be let to the lowest and best bidder, who shall furnish bond to the city conditioned upon his or her carrying out the terms of the contract, the bond to be approved by the city council. Nothing in this act, and no contract or regulation made by the city council, shall be so construed as to prohibit any person, firm, or corporation engaged in any business in which garbage or refuse accumulates as a byproduct from selling, recycling, or otherwise disposing of his, her, or its garbage or refuse or hauling such garbage or refuse through the streets and alleys under such uniform and reasonable regulations as the city council may by ordinance prescribe for the removal and hauling of garbage or refuse;

Market places.

(29) To erect and establish market houses and market places and to provide for the erection of all other useful and necessary buildings for the use of the city and for the protection and safety of all property owned by the city; and such market houses and market places and buildings aforesaid may be located on any street, alley, or public ground or on land purchased for such purpose;

Cemeteries, registers of births and deaths.

(30) To prohibit the establishment of additional cemeteries within the limits of the city, to regulate the registration of births and deaths, to direct the keeping and returning of bills of mortality, and to impose penalties on physicians, sextons, and others for any default in the premises;

Plumbing, etc., inspection.

(31) To provide for the inspection of steam boilers, electric light appliances, pipefittings, and plumbings, to regulate their erection and construction, to appoint inspectors, and to declare their powers and duties, except as herein otherwise provided;

Fire limits and fire protection.

(32) To prescribe fire limits and regulate the erection of all buildings and other structures within the corporate limits; to provide for the removal of any buildings or structures or additions thereto erected contrary to such regulations, to provide for the removal of dangerous buildings, and to provide that wooden buildings shall not be erected or placed or repaired in the fire limits; but such ordinance shall not be suspended or modified by resolution nor shall exceptions be made by ordinance or resolution in favor of any person, firm, or corporation or concerning any particular lot or building; to direct that all and any building within such fire limits, when the same shall have been damaged by fire, decay, or otherwise, to the extent of fifty percent of the value of a similar new building above the foundation, shall be torn down or removed; and to prescribe the manner of ascertaining such damages and to assess the cost of removal of any building erected or existing contrary to such regulations or provisions, against the lot or real estate upon which such building or structure is located or shall be erected, or to collect such costs from the owner of any such building or structure and enforce such collection by civil action in any court of competent jurisdiction;

Building regulations.

(33) To regulate the construction, use, and maintenance of party walls, to prescribe and regulate the thickness, strength, and manner of constructing stone, brick, wood, or other buildings and the size and shape of brick and other material placed therein, to prescribe and regulate the construction and arrangement of fire escapes and the placing of iron and metallic shutters and doors therein and thereon, and to provide for the inspection of elevators and hoist-way openings to avoid accidents; to prescribe, regulate, and provide for the inspection of all plumbing, pipefitting, or sewer connections in all houses or buildings now or hereafter

erected; to regulate the size, number, and manner of construction of halls, doors, stairways, seats, aisles, and passageways of theaters, tenement houses, audience rooms, and all buildings of a public character, whether now built or hereafter to be built, so that there may be convenient, safe, and speedy exit in case of fire; to prevent the dangerous construction and condition of chimneys, fireplaces, hearths, stoves, stovepipes, ovens, boilers, and heating appliances used in or about any building or a manufactory and to cause the same to be removed or placed in safe condition when they are considered dangerous; to regulate and prevent the carrying on of manufactures dangerous in causing and promoting fires; to prevent the deposit of ashes in unsafe places and to cause such buildings and enclosures as may be in a dangerous state to be put in a safe condition; to prevent the disposing of and delivery or use in any building or other structure, of soft, shelly, or imperfectly burned brick or other unsuitable building material within the city limits and provide for the inspection of the same; to provide for the abatement of dense volumes of smoke; to regulate the construction of areaways, stairways, and vaults and to regulate partition fences; to enforce proper heating and ventilation of buildings used for schools, workhouses, or shops of every class in which labor is employed or large numbers of persons are liable to congregate;

Warehouses and street railways.

(34) To regulate levees, depots and depot grounds, and places for storing freight and goods and to provide for and regulate the laying of tracks and the passage of steam or other railways through the streets, alleys, and public grounds of the city;

Lighting railroad property.

(35) To require the lighting of any railway within the city, the cars of which are propelled by steam, and to fix and determine the number, size, and style of lampposts, burners, lamps, and all other fixtures and apparatus necessary for such lighting and the points of location for such lampposts; and in case any company owning or operating such railways shall fail to comply with such requirements, the council may cause the same to be done and may assess the expense thereof against such company, and the same shall constitute a lien upon any real estate belonging to such company and lying within such city and may be collected in the same manner as taxes for general purposes;

City publicity.

(36) To provide for necessary publicity and to appropriate money for the purpose of advertising the resources and advantages of the city;

Offstreet parking.

(37) To erect, establish, and maintain offstreet parking areas on publicly owned property located beneath any elevated segment of the National System of Interstate and Defense Highways or portion thereof, or public property title to which is in the city on May 12, 1971, or property owned by the city and used in conjunction with and incidental to city-operated facilities, and to regulate parking thereon by time limitation devises or by lease;

Public passenger transportation systems.

(38) To acquire, by the exercise of the power of eminent domain or otherwise, lease, purchase, construct, own, maintain, operate, or contract for the operation of public passenger transportation systems, excluding taxicabs and railroad systems, including all property and facilities required therefor, within and without the limits of the city, to redeem such property from prior encumbrance in order to protect or preserve the interest of the city therein, to exercise all powers granted by the Constitution of Nebraska and laws of the State of Nebraska or exercised by or pursuant to a home rule charter adopted pursuant thereto, including but not limited to receiving and accepting from the government of the United States or any agency thereof, from the State of Nebraska or any subdivision thereof, and from any person or corporation donations, devises, gifts, bequests, loans, or grants for or in aid of the acquisition, operation, and maintenance of such public passenger transportation systems and to administer, hold, use, and apply the same for the purposes for which such donations, devises, gifts, bequests, loans, or grants may have been made, to negotiate with employees and enter into contracts of employment, to employ by contract or otherwise individuals singularly or collectively, to enter into agreements authorized under the Interlocal Cooperation Act or the Joint Public Agency Act, to contract with an operating and management company for the purpose of operating, servicing, and maintaining any public passenger transportation systems any city of the metropolitan class shall acquire under the provisions of this act, and to exercise such other and further powers as may be necessary, incident, or appropriate to the powers of such city; and

Regulation of air quality.

(39) In addition to powers conferred elsewhere in the laws of the state and notwithstanding any other law of the state, to implement and enforce an air pollution control program within the corporate limits of the city under subdivision (23) of section 81-1504 or subsection (1) of section 81-1528, which program shall be consistent with the Clean Air Act, as amended, 42 U.S.C. 7401 et seq. Such powers shall include without limitation those involving injunctive relief, civil penalties, criminal fines, and burden of proof. Nothing in this section shall preclude the control of air pollution by resolution, ordinance, or regulation not in actual conflict with the state air pollution control regulations.

Sec. 60. Section 14-1805, Reissue Revised Statutes of Nebraska, is amended to read:

14-1805. For the purpose of accomplishing the object and purpose of the Transit Authority Law, the authority shall possess all the necessary powers of a public body corporate and governmental subdivision of the State of Nebraska, including, but not limited to, the following powers:

(1) To maintain a principal office in the city of the metropolitan class in which created;

(2) To adopt the official seal of the authority and to alter the same at its pleasure;

(3) To employ a general manager, engineers, accountants, attorneys, financial experts, and such other employees and agents as may be necessary in its judgment, to fix the compensation of and to discharge the same, to negotiate with employees and enter into contracts of employment, to employ persons singularly or collectively, and, with the consent of such city, to use the services of agents, employees, and facilities of such city, including the city attorney as legal advisor to such authority, for which such authority shall reimburse such city a proper proportion of the compensation or cost thereof;

(4) To adopt bylaws and adopt and promulgate rules and regulations for the regulation of its affairs and for the conduct of its business;

(5) To acquire, lease, own, maintain, and operate for public service a public passenger transportation system, excluding taxicabs and railroad systems, within or without a city of the metropolitan class;

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

(7) To acquire, lease, and hold such real or personal property and any rights, interests, or easements therein as may be necessary or convenient for the purposes of the authority and to sell, assign, and convey the same;

(8) To make and enter into any and all contracts and agreements with any individual, public or private corporation or agency of the State of Nebraska, public or private corporation or agency of any state of the United States adjacent and contiguous to the city of the metropolitan class, and the United States of America as may be necessary or incidental to the performance of its duties and the execution of its powers under the Transit Authority Law and to enter into agreements authorized under the Interlocal Cooperation Act or the Joint Public Agency Act;

(9) To contract with an operating and management company for the purpose of operating, servicing, and maintaining any public passenger transportation systems of such authority;

(10) To acquire and hold capital stock in any passenger transportation system, excluding taxicabs and railroad systems, solely for the purpose of lawfully acquiring the physical property of such corporation for public use;

(11) To borrow money and issue and sell negotiable bonds, notes, or other evidence of indebtedness, to provide for the rights of the holders thereof, and to pledge all or any part of the income of the authority received as herein provided to secure the payment thereof. The authority shall not have the power to pledge the credit or taxing power of the state or any political subdivision thereof, except such tax receipts as may be authorized herein, or to place any lien or encumbrance on any property owned by the state, county, or city used by the authority;

(12) To receive and accept from the government of the United States of America or any agency thereof, from the State of Nebraska or any subdivision thereof, and from any person or corporation, donations or loans or grants for or in aid of the acquisition or operation of passenger transportation facilities, and to administer, hold, use, and apply the same

for the purposes for which such grants or donations may have been made;

(13) To exercise the right of eminent domain under and pursuant to the Constitution, statutes, and laws of the State of Nebraska to acquire private property, including any existing private passenger transportation system, but excluding any taxicabs, railroad, and air passenger transportation systems, which is necessary for the passenger transportation purposes of the authority and including the right to acquire rights and easements across, under, or over the right-of-way of any railroad. Exercise of the right of eminent domain shall be pursuant to sections 76-704 to 76-724;

(14) Subject to the continuing rights of the public to the use thereof, to use any public road, street, or other public way in any city of the metropolitan class for transportation of passengers;

(15) To purchase and dispose of equipment, including motor buses, and to execute any agreement, lease, conditional sales contract, conditional lease contract, and equipment trust note or certificate to effect such purpose;

(16) To pay for any equipment and rentals therefor in installments and to give evidence by equipment trust notes or certificates of any deferred installments, and title to such equipment need not vest in the authority until the equipment trust notes or certificates are paid;

(17) To certify annually to the local lawmaking body of the city of the metropolitan class such tax request for the fiscal year commencing on the first day of the following January as, in its discretion and judgment, the authority determines to be necessary, pursuant to section 14-1821. The local lawmaking body of such city of the metropolitan class is authorized to levy and collect such taxes in the same manner as other taxes in such city subject to section 77-3443;

(18) To apply for and accept grants and loans from the government of the United States of America, or any agency or instrumentality thereof, to be used for any of the authorized purposes of the authority, and to enter into any agreement with the government of the United States of America, or any agency or instrumentality thereof, in relation to such grants or loans, subject to the provisions hereof;

(19) To determine routes and to change the same subject to the provisions hereof;

(20) To fix rates, fares, and charges for transportation. The revenue derived from rates, from the taxation herein provided, and from any grants or loans herein authorized shall at all times be sufficient in the aggregate to provide for the payment of: (a) All operating costs of the transit authority, (b) interest on and principal of all revenue bonds, revenue certificates, equipment trust notes or certificates, and other obligations of the authority, and to meet all other charges upon such revenue as may be provided by any trust agreement executed by such authority in connection with the issuance of revenue bonds or certificates under the Transit Authority Law, and (c) any other costs and charges, acquisition, installation, replacement, or reconstruction of equipment, structures, or rights-of-way not financed through the issuance of revenue bonds or certificates;

(21) To provide free transportation for firefighters and police officers in uniform in the city of the metropolitan class in which they are employed and for employees of such authority when in uniform or upon presentation of proper identification;

(22) To enter into agreements with the Post Office Department of the United States of America or its successors for the transportation of mail and letter carriers and the payment therefor;

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

(24) To establish pension and retirement plans for officers and employees and to adopt any existing pension and retirement plans and any existing pension and retirement contracts for officers and employees of any passenger transportation system purchased or otherwise acquired pursuant to the Transit Authority Law.

Sec. 61. Section 16-6,110, Reissue Revised Statutes of Nebraska, is amended to read:

16-6,110. A city of the first class shall have the power by ordinance to acquire, by the exercise of the power of eminent domain or otherwise, lease, purchase, construct, own, maintain, and operate, or contract for the operation of public passenger transportation systems, excluding railroad systems, including all property and facilities required therefor, within and without the limits of the city, to redeem such property from prior encumbrance in order to protect or preserve the interest of the city therein, to exercise all powers granted by the Constitution and laws of the State of

Nebraska or exercised by or pursuant to a home rule charter adopted pursuant thereto, including but not limited to receiving and accepting from the government of the United States or any agency thereof, from the State of Nebraska, or any subdivision thereof, and from any person or corporation, donations, devises, gifts, bequests, loans, or grants for or in aid of the acquisition, operation, and maintenance of such public passenger transportation systems, and to administer, hold, use, and apply the same for the purposes for which such donations, devises, gifts, bequests, loans, or grants may have been made, to negotiate with employees and enter into contracts of employment, to employ by contract or otherwise individuals singularly or collectively, to enter into agreements authorized under the Interlocal Cooperation Act or the Joint Public Agency Act, to contract with an operating and management company for the purpose of operating, servicing, and maintaining any public passenger transportation systems any such city shall acquire under the provisions of sections 16-6,110 and 75-303, and to exercise such other and further powers with respect thereto as may be necessary, incident, or appropriate to the powers of such city.

Sec. 62. Section 17-174, Reissue Revised Statutes of Nebraska, is amended to read:

17-174. A city of the second class shall have the power by ordinance to acquire, by the exercise of the power of eminent domain or otherwise, lease, purchase, construct, own, maintain, and operate, or contract for the operation of public passenger transportation systems, excluding railroad systems, including all property and facilities required therefor, within and without the limits of the city, to redeem such property from prior encumbrance in order to protect or preserve the interest of the city therein, to exercise all powers granted by the Constitution and laws of the State of Nebraska including but not limited to receiving and accepting from the government of the United States or any agency thereof, from the State of Nebraska, or any subdivision thereof, and from any person or corporation, donations, devises, gifts, bequests, loans, or grants for or in aid of the acquisition, operation, and maintenance of such public passenger transportation systems, and to administer, hold, use, and apply the same for the purposes for which such donations, devises, gifts, bequests, loans, or grants may have been made, to negotiate with employees and enter into contracts of employment, to employ by contract or otherwise individuals singularly or collectively, to enter into agreements authorized under the Interlocal Cooperation Act or the Joint Public Agency Act, and to exercise such other and further powers with respect thereto as may be necessary, incident, or appropriate to the powers of such city.

Sec. 63. Section 18-1716, Revised Statutes Supplement, 1998, is amended to read:

18-1716. Any regulation of any municipality pertaining to any area outside of its corporate limits shall be subject to any lawful and existing regulation of another municipality pertaining to that same area except as otherwise provided by an agreement entered into pursuant to the Interlocal Cooperation Act or Joint Public Agency Act. However, any area annexed by any municipality shall be subject to the ordinances of such municipality after such annexation.

Sec. 64. Section 18-2704, Reissue Revised Statutes of Nebraska, is amended to read:

18-2704. City shall mean any city of the metropolitan class, city of the primary class, city of the first class, city of the second class, or village, including any city operated under a home rule charter. City shall also include any group of two or more cities acting in concert under the terms of the Interlocal Cooperation Act or Joint Public Agency Act by means of a properly executed agreement.

Sec. 65. Section 19-3801, Reissue Revised Statutes of Nebraska, is amended to read:

19-3801. Any city of the first or second class or any village may, under the provisions of the Interlocal Cooperation Act or Joint Public Agency Act, enter into a contract with the county board of its county for police services to be provided by the county sheriff. The ~~PROVIDED, the~~ county board shall enter into such a contract when requested by a village to do so. Whenever any such contract has been entered into, the sheriff shall, in addition to his or her other powers and duties, have all the powers and duties of peace officers within and for the city or village so contracting.

Sec. 66. Section 23-2809, Reissue Revised Statutes of Nebraska, is amended to read:

23-2809. The county board of corrections may, pursuant to the Interlocal Cooperation Act or Joint Public Agency Act, contract with any governmental unit for the purposes of implementing and complying with this

section and sections 23-1703, 23-2801 to 23-2803, 23-2805, and 23-2806 and may contract with any individual, firm, partnership, limited liability company, or corporation to provide goods or services essential to the operation and maintenance of the county jail.

Sec. 67. Section 23-3637, Reissue Revised Statutes of Nebraska, is amended to read:

23-3637. The county and any city may enter into any agreement for joint action with regard to the planning, construction, management, operation, or financing of a sewerage disposal system and plant or plants consistent with the authority of the county as provided in the County Industrial Sewer Construction Act and consistent with the authority of the city and county under the Interlocal Cooperation Act or the Joint Public Agency Act. The county may enter into an agreement with any city for the sale to the city of all or any portion of a sewerage disposal system and plant or plants developed by the county under the County Industrial Sewer Construction Act upon such terms and conditions as to which the city and county may formally agree. Any agreement entered into by a city and county pursuant to this section shall be consistent with and conditioned upon the rights of any third party with a direct financial interest in the sewerage disposal system and plant or plants.

Sec. 68. Section 29-215, Reissue Revised Statutes of Nebraska, is amended to read:

29-215. (1) Every sheriff, deputy sheriff, marshal, deputy marshal, police officer, or peace officer as defined in subdivision (15) of section 49-801 shall have the power and authority to enforce the laws of this state and of the political subdivision which employs the law enforcement officer or otherwise perform the functions of that office anywhere within his or her primary jurisdiction. Primary jurisdiction shall mean the geographic area within territorial limits of the state or political subdivision which employs the law enforcement officer.

(2) Any such law enforcement officer who is within this state, but beyond the territorial limits of his or her primary jurisdiction, shall have the power and authority to enforce the laws of this state or any legal ordinance of any city or incorporated village or otherwise perform the functions of his or her office, including the authority to arrest and detain suspects, as if enforcing the laws or performing the functions within the territorial limits of his or her primary jurisdiction in the following cases:

(a) Any such law enforcement officer, if in a fresh attempt to apprehend a person suspected of committing a felony, may follow such person into any other jurisdiction in this state and there arrest and detain such person and return such person to the law enforcement officer's primary jurisdiction;

(b) Any such law enforcement officer, if in a fresh attempt to apprehend a person suspected of committing a misdemeanor or a traffic infraction, may follow such person anywhere in an area within twenty-five miles of the boundaries of the law enforcement officer's primary jurisdiction and there arrest and detain such person and return such person to the law enforcement officer's primary jurisdiction;

(c) Any such law enforcement officer shall have such enforcement and arrest and detention authority when responding to a call in which a local, state, or federal law enforcement officer is in need of assistance. A law enforcement officer in need of assistance shall mean (i) a law enforcement officer whose life is in danger or (ii) a law enforcement officer who needs assistance in making an arrest and the suspect (A) will not be apprehended unless immediately arrested, (B) may cause injury to himself or herself or others or damage to property unless immediately arrested, or (C) may destroy or conceal evidence of the commission of a crime; and

(d) Any municipality or county may, under the provisions of the Interlocal Cooperation Act or the Joint Public Agency Act, enter into a contract with any other municipality or county for law enforcement services or joint law enforcement services. Under such an agreement law enforcement personnel may have such enforcement authority within the jurisdiction of each of the participating political subdivisions if provided for in the agreement. Unless otherwise provided in the agreement each participating political subdivision shall provide liability insurance coverage for its own law enforcement personnel as provided in section 13-1802.

Sec. 69. Section 35-514.02, Reissue Revised Statutes of Nebraska, is amended to read:

35-514.02. A rural or suburban fire protection district may establish an emergency medical service or provide fire protection service either within or without the district, may enter into agreements under the Interlocal Cooperation Act and the Joint Public Agency Act for the purpose of establishing an emergency medical service or providing fire protection

service, may contract with any city, person, firm, corporation, or other fire protection district to provide such services, may expend funds of the district, and may charge a reasonable fee to the user. Before any such services are established under the authority of this section, the rural or suburban fire protection district shall hold a public hearing after giving at least ten days' notice, which notice shall include a brief summary of the general plan for establishing the emergency medical service or providing fire protection service, including an estimate of the initial cost and the possible continuing cost of operating the emergency medical service or fire protection service. If the board after such hearing determines that an emergency medical service or fire protection service is needed, it may proceed as authorized in this section. The authority granted in this section shall be cumulative and supplementary to any existing powers heretofore granted. Any fire protection district providing any service under this section may pay the cost for the service out of available funds or may levy a tax for the purpose of supporting an emergency medical service or providing fire protection service, which levy shall be in addition to any other tax for such fire protection district and shall be subject to section 77-3443. When a fire protection district levies a tax for the purpose of supporting an emergency medical service, the taxpayers of such district shall be exempt from any tax levied under section 13-303. The board of a fire protection district which provides fire protection service outside of the district may charge a political subdivision with which the district has entered into an agreement for such service on a per-call basis for such service.

Sec. 70. Section 35-1204, Reissue Revised Statutes of Nebraska, is amended to read:

35-1204. A mutual finance organization may be created by agreement among its members pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The agreement shall contain a provision which requires all members of the mutual finance organization to levy the same property tax rate within their boundaries for the purpose of jointly funding the operations of all members of the mutual finance organization, except that the agreed-upon property tax rate shall exclude levies for bonded indebtedness and lease-purchase contracts in existence on July 1, 1998.

Sec. 71. Section 37-334, Reissue Revised Statutes of Nebraska, is amended to read:

37-334. The commission may participate with the natural resources districts and other public agencies, pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act, for the acquisition on a willing-seller willing-buyer basis only, leasing, taking of easements, development, management, and enhancement of wildlife habitats. The commission may expend, transfer, or reimburse participants with money received from the sale of hunting and fishing permits and habitat stamps for such purposes under policies established by the commission. The commission may use money received pursuant to this section for the matching of federal funds under section 37-901.

Sec. 72. Section 39-2114, Reissue Revised Statutes of Nebraska, is amended to read:

39-2114. In order to achieve the efficiencies and economics resulting from unified operations, the Legislature encourages the counties and municipalities to make use of the Interlocal Cooperation Act or the Joint Public Agency Act by contracting between and among themselves for cooperative programs of administering all phases of their road and street programs. Any such contract shall be filed with the Board of Public Roads Classifications and Standards.

Sec. 73. Section 46-1502, Reissue Revised Statutes of Nebraska, is amended to read:

46-1502. For purposes of the Wellhead Protection Area Act:

(1) Controlling entity means a city, a village, a natural resources district, a rural water district, any other entity, including, but not limited to, a privately owned public water supply system, or any combination thereof operating under an ~~interlocal~~ agreement pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act that operates a public water supply system;

(2) Department means the Department of Environmental Quality;

(3) Director means the Director of Environmental Quality; and

(4) Wellhead protection area means the surface and subsurface area surrounding a water well or well field, supplying a public water system, through which contaminants are reasonably likely to move toward and reach such water well or well field.

Sec. 74. Section 47-603, Reissue Revised Statutes of Nebraska, is amended to read:

47-603. For purposes of the Community Correctional Facilities and

Programs Act:

(1) Community correctional facility or program shall mean a community-based or community-oriented facility or program which (a) is operated either by a unit of local government, the department, or a nongovernmental agency, (b) may be designed to provide residential accommodations for offenders, and (c) provides programs and services to aid offenders in obtaining and holding regular employment, in enrolling in and maintaining academic courses, in participating in vocational training programs, in utilizing the resources of the community to meet their personal and family needs, in obtaining mental health, alcohol, and drug treatment, and in participating in whatever specialized programs exist within the community;

(2) Corrections board shall mean the governing body of any unit of local government or a board which may be appointed by the governing body of any unit of local government to carry out the act;

(3) Department shall mean the Department of Correctional Services;

(4) Director shall mean the Director of Correctional Services;

(5) Nongovernmental agency shall mean any person, private nonprofit agency, corporation, association, labor organization, or entity other than the state or a political subdivision;

(6) Offender shall mean any person who has been convicted of a felony or misdemeanor but shall not include any person who has been found to be a habitual criminal under section 29-2221, has been convicted of a crime of violence, or has been convicted of the knowing and intentional manufacture, distribution, delivery, or dispensing of a controlled substance in violation of the Uniform Controlled Substances Act; and

(7) Unit of local government shall mean a county, city, village, or ~~joint~~ entity established pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act.

Sec. 75. Section 48-193, Reissue Revised Statutes of Nebraska, is amended to read:

48-193. For purposes of sections 48-192 to 48-1,109, unless the context otherwise requires:

(1) State agency shall include all departments, agencies, boards, courts, bureaus, and commissions of the State of Nebraska and corporations the primary function of which is to act as, and while acting as, instrumentalities or agencies of the State of Nebraska, including the University of Nebraska and the state colleges, but shall not include corporations that are essentially private corporations or entities created by ~~local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. State agency shall not be construed to include any contractor with the State of Nebraska except and unless such contractor comes within the provisions of section 48-116;

(2) State Claims Board shall mean the board created by section 81-8,220;

(3) Employee of the state shall mean any one or more officers or employees of the state or any state agency and shall include duly appointed members of boards or commissions when they are acting in their official capacity. State employee shall not be construed to include any employee of an entity created by ~~local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act or any contractor with the State of Nebraska unless such contractor comes within the provisions of section 48-116;

(4) Workers' compensation claim shall mean any claim against the State of Nebraska arising under the Nebraska Workers' Compensation Act; and

(5) Award shall mean any amount determined by the State Claims Board to be payable to a claimant under sections 48-192 to 48-1,109 or the amount of any compromise or settlement under such sections.

Sec. 76. Section 51-201, Reissue Revised Statutes of Nebraska, is amended to read:

51-201. The city council of any city, the board of trustees of any incorporated village, the county board of any county, and the electors of any township at their annual town meeting shall have the power to establish a public library free of charge for the use of the inhabitants of such city, village, county, or township.

Any such council, board, or electors may also contract for the use of a public library already established and may levy a tax of not more than ten and five-tenths cents on each one hundred dollars upon the taxable value of all the taxable property in such city, village, county, or township annually to be levied and collected in like manner as other taxes in such city, village, county, or township, except that when any county discontinues township organization, the county shall levy and collect a tax of not more than ten and five-tenths cents on each one hundred dollars for such public library. The levy shall be subject to sections 77-3442 and 77-3443. The

amount collected from such levy shall be known as the library fund.

Before establishing a county library, the county board shall submit the question to the voters of the county at a general election pursuant to section 32-559, including only incorporated and unincorporated areas which do not have a public library, and a majority of the voters voting on the question of whether to establish a county library shall authorize the establishment of such county library and the levying of the tax. A city, village, or township within the county that has a public library may merge with the county library, if established, upon a majority vote pursuant to section 51-201.04. When such questions are submitted and carried, the county board shall include the county library in its next succeeding estimate and levy. Such submission shall not be required when the board levies a tax for the purpose of contracting for use of a library already established. When the county board makes a levy for use of a county library or for the purpose of contracting for use of a public library already established, the county board shall omit from the levy of the library tax all property within the limits of any city, village, or township in such county which already maintains a library by public tax unless the voters of the city, village, or township have voted to merge with the county library.

The method of merger of libraries provided in this section and sections 51-201.03 to 51-201.07 shall not be construed as the exclusive way to merge libraries or library facilities. Nothing in such sections shall prohibit a county, city, village, or township from entering into an agreement pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act relating to library services.

Sec. 77. Section 58-202, Reissue Revised Statutes of Nebraska, is amended to read:

58-202. (1) The Legislature hereby finds and declares that:

(a) The high cost of agricultural loans and the general unavailability of such loans at favorable rates and terms for farmers, particularly beginning farmers, and other agricultural enterprises 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 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 and terms which are consistent with the needs of farmers, particularly beginning farmers, and other agricultural enterprises.

(2) The Legislature hereby finds and declares that:

(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 at which low-income and moderate-income persons, particularly first-time homebuyers, can afford to purchase, construct, or rent and as a result such persons are forced to occupy unsanitary, unsafe, and overcrowded housing.

(3) The Legislature hereby finds and declares that:

(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.

(4) The Legislature hereby finds and declares that:

(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 economic and social 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 since provision of adequate hospital, nursing, and medical care is a public use, it is in the public interest that adequate hospital and medical facilities and care be provided in order to care for and protect the public health and 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.

(5) The Legislature hereby finds and declares that:

(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 and safe drinking water facilities. The federal funding provided for wastewater treatment facilities is extremely limited while the need to provide and improve wastewater treatment facilities and safe drinking water 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 and safe drinking water 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 will soon expand that to include safe drinking water facilities, and the state has created or is expected to create appropriate funds or accounts for such purpose. The state is required or expected to be required to provide matching funds for deposit into such funds or accounts, 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 or the provision of safe drinking water by providing for the issuance of revenue bonds, the proceeds of which shall be deposited into the Wastewater Treatment Facilities Construction Loan Fund or the comparable state fund to finance safe drinking water facilities. 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 or safe drinking water facilities.

(6) The Legislature hereby finds and declares that:

(a) There is a need within this state for financing to assist public school boards and school districts and private for-profit or not-for-profit schools in connection with removal of materials determined to be hazardous to the health and well-being of the residents of the state and the reduction or elimination of accessibility barriers and that the federal funding provided for such projects is extremely limited and the need and requirement to remove such materials and to reduce or eliminate accessibility barriers from school buildings is great;

(b) The financing of the removal of such environmental hazards and the reduction or elimination of accessibility barriers is essential to protecting and improving the facilities in the state which provide educational benefits and services;

(c) The federal government has directed schools to remove such hazardous materials and to reduce or eliminate accessibility barriers; and

(d) The problems enumerated in this subsection cannot be remedied through the operation of private enterprise or individual communities or both but may be alleviated through the assistance of the authority to encourage the investment of private capital and assist in the financing of the removal of environmental hazards and the reduction or elimination of accessibility barriers in educational facilities in this state in order to provide for a clean, safe, and accessible environment to protect the health and welfare of the citizens and residents of this state.

(7) The Legislature hereby finds and declares that:

(a) The rapidly rising volume of waste deposited by society threatens the capacity of existing and future landfills. The nature of waste disposal means that unknown quantities of potentially toxic and hazardous materials are being buried and pose a constant threat to the ground water supply. In addition, the nature of the waste and the disposal methods utilized allow the waste to remain basically inert for decades, if not centuries, without decomposition;

(b) Wastes filling Nebraska's landfills may at best represent a potential resource, but without proper management wastes are hazards to the environment and to the public health and welfare;

(c) The growing concern with ground water protection and the desire to avoid financial risks inherent in ground water contamination have caused many smaller landfills to close in favor of using higher-volume facilities. Larger operations allow for better ground water protection at a relatively lower and more manageable cost;

(d) The reduction of solid waste at the source and the recycling of reusable waste materials will reduce the flow of waste to landfills and increase the supply of reusable materials for the use of the public;

(e) There is a need within this state for financing to assist counties, cities, villages, ~~joint~~ entities created under the Interlocal Cooperation Act and the Joint Public Agency Act, and private persons with the construction and operation of new solid waste disposal areas or facilities and with the closure, monitoring, and remediation of existing solid waste disposal areas and facilities;

(f) Financing the construction and operation of new solid waste disposal areas and facilities and financing the closure, monitoring, and

remediation of existing and former solid waste disposal areas and facilities in the state is essential to protect the environment and the public health and welfare;

(g) The federal government has directed that effective October 1, 1993, all solid waste disposal areas and facilities shall be upgraded to meet stringent siting, design, construction, operation, closure, monitoring, and remediation requirements; and

(h) The problems enumerated in this subsection cannot be remedied through the operation of private enterprise or individual communities or both but may be alleviated through the assistance of the authority to encourage the investment of private capital and to assist in the financing of solid waste disposal areas and facilities and in the removal of environmental hazards in solid waste disposal areas and facilities in this state in order to provide for a clean environment to protect the health and welfare of the citizens and residents of this state.

Sec. 78. Section 58-219, Reissue Revised Statutes of Nebraska, is amended to read:

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 incident to the development of industrial sites, including land costs and the costs of site improvements 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, 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, (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, and (iii) such facilities are owned or to be owned by a nonprofit entity;

(c) In blighted areas of the state, 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 if such facilities are owned or to be owned by a nonprofit entity; 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 facilities related and subordinate thereto.

Nothing in this subdivision shall be construed to include any rental or residential housing, residential energy conservation device, or agriculture or agricultural enterprise;

(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 a nonprofit entity 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;

(5) Wastewater treatment or safe drinking water project which shall include any project or undertaking which involves the construction, development, rehabilitation, and improvement of wastewater treatment facilities or safe drinking water facilities and is financed by a loan from or otherwise provided financial assistance by the Wastewater Treatment Facilities Construction Loan Fund or any comparable state fund providing money for the

financing of safe drinking water facilities;

(6) Any cost necessary for abatement of an environmental hazard or hazards in school buildings or on school grounds upon a determination by the school that an actual or potential environmental hazard exists in the school buildings or on the school grounds under its control;

(7) Any accessibility barrier elimination project costs necessary for accessibility barrier elimination in school buildings or on school grounds upon a determination by the school that an actual or potential accessibility barrier exists in the school buildings or on the school grounds under its control;

(8) Solid waste disposal project which shall include land, buildings, equipment, and improvements consisting of all or part of an area or a facility for the disposal of solid waste, including recycling of waste materials, either publicly or privately owned or operated, and any project or program undertaken by a county, city, village, or ~~joint~~ entity created pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act for closure, monitoring, or remediation of an existing solid waste disposal area or facility and any undivided or other interest in any of the foregoing; and

(9) Any affordable housing infrastructure which shall include streets, sewers, storm drains, water, electrical and other utilities, sidewalks, public parks, public playgrounds, public swimming pools, public recreational facilities, and other community facilities, easements, and similar use rights thereof, as well as improvements preparatory to the development of housing units.

Sec. 79. Section 58-239, Reissue Revised Statutes of Nebraska, is amended to read:

58-239. The authority is hereby granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes including:

(1) To have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions;

(2) To adopt, amend, and repeal bylaws, rules, and regulations not inconsistent with the Nebraska Investment Finance Authority Act, to regulate its affairs, to carry into effect the powers and purposes of the authority, and to conduct its business;

(3) To sue and be sued in its own name;

(4) To have an official seal and alter it at will;

(5) To maintain an office at such place or places within the state as it may designate;

(6) To make and execute contracts and all other instruments as necessary or convenient for the performance of its duties and the exercise of its powers and functions under the act;

(7) To employ architects, engineers, attorneys, inspectors, accountants, building contractors, financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation;

(8) To obtain insurance against any loss in connection with its bonds, property, and other assets in such amounts and from such insurers as it deems advisable;

(9) To borrow money and issue bonds as provided by the act;

(10) To receive and accept from any source aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of the act subject to the conditions upon which the grants or contributions are made including gifts or grants from any department, agency, or instrumentality of the United States, and to make grants, for any purpose consistent with the act;

(11) To enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders for the purpose of carrying out projects authorized under the act;

(12) To enter into contracts or agreements with lenders for the servicing and processing of mortgages or loans pursuant to the act;

(13) To provide technical assistance to local public bodies and to for-profit and nonprofit entities in the areas of housing for low-income and moderate-income persons, agricultural enterprises, and community or economic development, to distribute data and information concerning the needs of the state in these areas, and, at the discretion of the authority, to charge reasonable fees for such assistance;

(14) To the extent permitted under its contract with the holders of bonds of the authority, to consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest or any other term of any contract, loan, loan note, loan note commitment, mortgage, mortgage loan, mortgage loan commitment, lease, or

agreement of any kind to which the authority is a party;

(15) To the extent permitted under its contract with the holders of bonds of the authority, to enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of the state, the reduction can be made without jeopardizing the economic stability of the project being financed;

(16) To acquire by construction, purchase, devise, gift, or lease or any one or more of such methods one or more projects located within this state, except that the authority shall not acquire any projects or parts of such projects by condemnation;

(17) To lease to others any or all of its projects for such rentals and upon such terms and conditions as the authority may deem advisable and as are not in conflict with the act;

(18) To issue bonds for the purpose of paying the cost of financing any project or projects and to secure the payment of such bonds as provided in the act;

(19) To sell and convey any real or personal property and make such order respecting the same as it deems conducive to the best interest of the authority;

(20) To make and undertake commitments to make loans to lenders under the terms and conditions requiring the proceeds of the loans to be used by such lenders to make loans for projects. Loan commitments or actual loans shall be originated through and serviced by any bank, trust company, savings and loan association, mortgage banker, or other financial institution authorized to transact business in the state;

(21) To invest in, purchase, make commitments to invest in or purchase, and take assignments or make commitments to take assignments of loans made by lenders for the construction, rehabilitation, or purchase of projects;

(22) To enter into financing agreements with others with respect to projects to provide financing for such projects upon such terms and conditions as the authority deems advisable to effectuate the public purposes of the act, which projects shall be located within the state. The authority shall not operate any project referred to in this section as a business or in any manner except as the lessor or seller of such project;

(23) To enter into financing agreements with any corporation, partnership, limited liability company, or individual or with any county, city, village, or ~~joint~~ entity created pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act for purposes of financing any solid waste disposal project;

(24) To enter into agreements with or purchase or guaranty obligations of political subdivisions of the state, including authorities, agencies, commissions, districts, and instrumentalities thereof, to provide financing for affordable housing infrastructure; and

(25) In lieu of providing direct financing as authorized by the Nebraska Investment Finance Authority Act, to guaranty debt obligations of any project owner to whom, and for such purposes as, the authority could otherwise provide direct financing, and the authority may establish a fund or account and limit its obligation on such guaranties to money in such fund or account. Any such guaranty shall contain a statement similar to that required by section 58-255 for bonds issued by the authority.

Sec. 80. Section 58-503, Reissue Revised Statutes of Nebraska, is amended to read:

58-503. For purposes of the Nebraska Redevelopment Act, the following definitions apply:

(1) Any term not otherwise defined has the same meaning as used in the Interlocal Cooperation Act;

(2) Area application means the area application in section 58-504;

(3) Area of operation means and includes the area within the corporate limits of the public body;

(4) Base year means the year immediately preceding the year during which the project application was submitted;

(5) Base-year employee means any individual who was employed in Nebraska and subject to the Nebraska income tax on compensation received from the company or its predecessors during the base year and who is employed at the redevelopment project;

(6) Blighted and substandard area means an area either within a city or cities or up to ten miles outside of the area of operation of a city or cities of the metropolitan or primary class, up to six miles outside of the area of operation of a city or cities of the first class, and up to three

miles outside of the area of operation of a city or cities of the second class or village or villages, or any combination thereof, in which by reason of (a) the existence of significant areas of unimproved or insufficiently developed land, (b) the lack of a significant number of new and growing business enterprises, (c) the lack of sufficient economic growth, (d) the dilapidation, deterioration, age, or obsolescence of buildings and improvements, (e) the lack of a state, regional, or local redevelopment plan or program, (f) the existence of significant conditions which prevent or do not promote economic growth within such area, (g) the lack of medical and health care facilities, (h) the lack of utilities and other government services infrastructure, or (i) any combination of such factors, there exists (i) insufficient safe, sanitary, and available housing for low-income and moderate-income families and persons, including, but not limited to, persons displaced by clearing of slums or blighted areas or by other public programs, (ii) job growth at less than the United States or midwest average job growth rates, (iii) average wages at less than the United States or midwest average wage levels, (iv) a net emigration of population, (v) population growth that is less than that of the United States or the midwest, (vi) the failure to utilize substantial land areas at their highest and best uses in comparison to other areas within such city or cities, (vii) an abundance of property that is not on the tax rolls at levels at least equal to industrial and residential valuation levels, or (viii) any combination of such results;

(7) Board means a board consisting of the Governor, the State Treasurer, and the chairperson of the Nebraska Investment Council;

(8) Bonds means any bonds, including refunding bonds, notes, interim certificates, debentures, or other obligations issued pursuant to the Nebraska Redevelopment Act;

(9) City means any city or incorporated village of this state;

(10) Company means any person subject to the sales and use taxes and either an income tax imposed by the Nebraska Revenue Act of 1967 or a franchise tax under sections 77-3801 to 77-3807, any corporation, partnership, limited liability company, or joint venture that is or would otherwise be a member of the same unitary group, if incorporated, which is, or whose partners, members, or owners are, subject to such taxes, and any other partnership, limited liability company, subchapter S corporation, or joint venture when the partners, owners, shareholders, or members are subject to such taxes;

(11) Contracting public body means the city or joint entity that enters into the project agreement with the company;

(12) Designated blighted and substandard area means an area that is a blighted and substandard area which the board designates as such under the Nebraska Redevelopment Act. Such area may include the area of operation of more than one taxing body;

(13) Employee means a person employed at the redevelopment project;

(14) Equivalent employees means the number of employees computed by dividing the total hours paid in a year by the product of forty times the number of weeks in a year;

(15) Governing body means the city council, board of trustees, other legislative body, or person or persons charged with governing the taxing body or contracting public body;

(16) Investment means the value of qualified property incorporated into or used at the project after the date of the application. For qualified property owned by the company, the value is the original cost of the property. For qualified property rented by the company, the value is the average net annual rent multiplied by the number of years of the lease for which the company was originally bound, not to exceed ten years or the end of the third year after the entitlement period, whichever is earlier. The rental of land included in and incidental to the leasing of a building is not excluded from the computation;

(17) Joint entity means an a joint entity created, whether before, on, or after February 1, 1995, by agreement pursuant to the Interlocal Cooperation Act or a joint public agency created pursuant to the Joint Public Agency Act, but consisting only of two or more cities. Such joint entity shall have all of the powers set forth in the Nebraska Redevelopment Act and the Interlocal Cooperation Act or the Joint Public Agency Act;

(18) Number of new employees means the excess of the number of equivalent employees employed at the redevelopment project during a year over the number of equivalent employees during the base year;

(19) Obligee means any bondholder, agent, or trustee for any bondholder, or lessor demising to any public body property used in connection with a redevelopment project or any assignee or assignees of such lessor's interest or any part thereof;

(20) Person means any individual, firm, partnership, corporation, company, association, joint-stock association, limited liability company, subchapter S corporation, or body politic and includes any trustee, receiver, assignee, or similar representative;

(21) Personal property has the same meaning as in section 77-104;

(22) Project agreement means the project agreement provided for in the Nebraska Redevelopment Act between the company and the applicable contracting public body;

(23) Project application means the project application in section 58-505;

(24) Project area means the area described in the project application. Such area may include the area of operation of more than one taxing body;

(25) Public body means any Nebraska county, city, school district, or contracting public body;

(26) Qualified business means any business engaged in the activities listed in subdivisions (a) through (e) of this subdivision or in the storage, warehousing, distribution, transportation, or sale of tangible personal property. Qualified business does not include any business activity in which eighty percent or more of the total sales are sales to the ultimate consumer of food prepared for immediate consumption or are sales to the ultimate consumer of tangible personal property which is not assembled, fabricated, manufactured, or processed by the company or used by the purchaser in any of the following activities:

(a) The conducting of research, development, or testing for scientific, agricultural, animal husbandry, food product, or industrial purposes;

(b) The performance of data processing, telecommunication, insurance, or financial services. Financial services, for purposes of this subdivision, only includes financial services provided by any financial institution subject to tax under sections 77-3801 to 77-3807 or any person or entity licensed by the Department of Banking and Finance or the federal Securities and Exchange Commission;

(c) The assembly, fabrication, manufacture, or processing of tangible personal property;

(d) The administrative management of any activities, including headquarter facilities, relating to such activity; or

(e) Any combination of the activities listed in this subdivision;

(27) Qualified property means any tangible property of the type subject to depreciation, amortization, or other recovery under the Internal Revenue Code or the components of such property that will be located and used at the redevelopment project. Qualified property does not include aircraft, barges, motor vehicles, railroad rolling stock, or watercraft or property that is rented by the company that is party to the project agreement to another person;

(28) Real property has the same meaning as in section 77-103;

(29) Redevelopment period means a period of ten years beginning with the year after which the required increases in employment and investment were met or exceeded and the next nine years;

(30) Redevelopment project means a project described in the Nebraska Redevelopment Act, approved as described in the act;

(31) Redevelopment project valuation means the valuation for assessment of the taxable real property and taxable personal property in the project area of a redevelopment project last certified for the year prior to the effective date of the project agreement;

(32) Taxing body means any Nebraska city, village, municipality, county, township, board, commission, authority, district, or other political subdivision or public body of the state having the power to levy ad valorem taxes; and

(33) Year means the taxable year of the company.

The changes made in this section by Laws 1997, LB 264, apply to investments made or employment on or after January 1, 1997, and for all agreements in effect on or after January 1, 1997.

Sec. 81. Section 60-335, Reissue Revised Statutes of Nebraska, is amended to read:

60-335. No registration fee shall be charged for any motor vehicle owned or leased and used by any city or village of this state, any rural fire protection district, the Civil Air Patrol, any public school district, any county, the state, the United States Government, any ~~joint~~ entity ~~or agency~~ formed pursuant to the Interlocal Cooperation Act, ~~or~~ the Integrated Solid Waste Management Act, or the Joint Public Agency Act, or any municipal public body or authority used in operating a public passenger transportation system.

Any motor vehicle owned or leased and used by this state or any political subdivision as set forth in this section and exempt from a distinct marking as provided in section 81-1021 may carry number plates the same design and size as provided in subsection (3) of section 60-311 or undercover license plates issued under section 60-304.

Sec. 82. Section 70-628.04, Revised Statutes Supplement, 1998, is amended to read:

70-628.04. Any public power district or public power and irrigation district participating jointly and in cooperation with others in an electric generation or transmission facility or ethanol production or distribution facility shall own an undivided interest in such facility and be entitled to the share of the output or capacity from the facility attributable to such undivided interest. Such district may enter into an agreement or agreements with respect to each such electric generation or transmission facility or ethanol production or distribution facility with the other participants therein, and any such agreement shall contain such terms, conditions, and provisions consistent with the provisions of sections 13-803, 13-805, 70-628.02 to 70-628.04, and 70-1002.03 and sections 4 and 5 of this act as the board of directors of such district shall deem to be in the interests of such district. The agreement may include, but not be limited to, provision for the construction, operation, and maintenance of such electric generation or transmission facility or ethanol production or distribution facility by any one of the participants, which shall be designated in or pursuant to such agreement as agent, on behalf of itself and the other participants or by such other means as may be determined by the participants and provision for a uniform method of determining and allocating among participants costs of construction, operation, maintenance, renewals, replacements, and improvements with respect to such facility. In carrying out its functions and activities as such agent with respect to construction, operation, and maintenance of such a facility, including without limitation the letting of contracts therefor, such agent shall be governed by the laws and regulations applicable to such agent as a separate legal entity and not by any laws or regulations which may be applicable to any of the other participants. Notwithstanding the provisions of any other law to the contrary, pursuant to the terms of any such agreement in which or pursuant to which a public power district or a public power and irrigation district or a city or village of this state shall be designated as the agent thereunder for the construction, operation, and maintenance of such a facility, each of the participants may delegate its powers and duties with respect to the construction, operation, and maintenance of such facility to such agent, and all actions taken by such agent in accordance with the provisions of such agreement shall be binding upon each of such participants without further action or approval by their respective boards of directors or governing bodies. Such agent shall be required to exercise all such powers and perform its duties and functions under the agreement in a manner consistent with prudent utility practice. For purposes of this section, prudent utility practice means any of the practices, methods, and acts at a particular time which, in the exercise of reasonable judgment in the light of the facts including, but not limited to, the practices, methods, and acts engaged in or approved by a significant portion of the electrical utility industry or ethanol production industry prior thereto, known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. In no event shall anything in sections 13-803, 13-805, 70-628.02 to 70-628.04, and 70-1002.03 and sections 4 and 5 of this act be deemed to authorize any district to become liable for and to pay for any costs, expenses, or liabilities attributable to the undivided interest of any other participant in such electric generation or transmission facility, and no funds of such district may be used for any such purpose.

Sec. 83. Section 72-1403, Reissue Revised Statutes of Nebraska, is amended to read:

72-1403. Any municipality is hereby authorized and empowered:

(1) To supply or make available to the state buildings or portions thereof or other facilities or parts thereof in such municipality or the zoning area authorized by law for the municipality for use either in whole or in part by the state, which buildings or facilities may be either existing buildings or existing facilities or buildings and facilities to be constructed or acquired by such municipality;

(2) To acquire, construct, reconstruct, improve, extend, equip, or furnish in such municipality or the zoning area authorized by law for the municipality any building or facility for the purposes of making the same available in whole or in part to the state;

(3) To operate and maintain any building or facility made available

in whole or in part to the state;

(4) To appropriate funds for any cost incurred by the municipality in acquiring, constructing, reconstructing, improving, extending, equipping, or furnishing any such building or facility or incurred in the operation and maintenance thereof;

(5) In order to finance any costs of acquisition, construction, reconstruction, improvement, extension, equipping, or furnishing any such building or facility, to issue its general obligation bonds in the manner and pursuant to the procedures as are otherwise provided by law, or in anticipation of the receipt by such municipality of any payments to be made by the state to such municipality for the supplying by the municipality to the state of such building or facility, or portions thereof, or in anticipation of the receipt of any other revenue with respect to the building or facility, including donations, to issue its revenue bonds in the manner and pursuant to the procedures as are otherwise provided by law and to secure such revenue bonds by a pledge of any or all of the revenue or other money to be derived by the municipality from its ownership or operation of such building or facility, including any payments to be made to such municipality by the state for the use by the state of such building or facility, or donations made for or with respect to such building or facility, which building or facility shall constitute and be deemed to be a revenue-producing facility of such municipality and which revenue bonds shall not impose any general liability upon the municipality. ~~Any~~ ~~PROVIDED, that any~~ city having a home rule charter may, in the discretion of the governing body of such city, issue such general obligation bonds or revenue bonds either in the manner and pursuant to such procedures as are provided by state statutes or in the manner and pursuant to such procedures as are provided by such home rule charter; and

(6) To enter into an agreement with the state provided by the provisions of section 72-1405, which agreement shall be approved by the governing body of such municipality by ordinance, resolution, or otherwise before such agreement shall enter into force.

The issuance of bonds by a municipality as provided in this section shall not create or impose any liability on the state, whether such bonds be general obligation bonds or revenue bonds of such municipality, and the state shall not be indebted thereon. Any such bond issued by a municipality shall recite therein in substance that such bond is solely the obligation of the municipality issuing the same and is not an obligation of the State of Nebraska nor a debt of the State of Nebraska within the meaning of any constitutional or statutory limitation upon the creation of indebtedness of the State of Nebraska and that the State of Nebraska is not, and in no event shall be, liable for the payment thereof or interest thereon.

In the event that the municipality is a party to an agreement entered into under the provisions of section 13-804 or section 4 of this act, such municipality may enter into an agreement with the state pursuant to the provisions of sections 72-1401 to 72-1408 whereby the municipality may supply or make available to the state all or a portion of that part or that use of the building or facility to which the municipality is entitled under the agreement entered into under the provisions of section 13-804 or section 4 of this act, but the municipality may enter into such an agreement with the state only if the terms and provisions thereof and the carrying out of such provisions does not violate the agreement of the municipality entered into under the provisions of section 13-804 or section 4 of this act.

Neither sections 72-1401 to 72-1408 nor anything contained therein shall be construed as a reduction or limitation upon any powers which a municipality might otherwise have under law or charter, but shall be construed as cumulative, and the powers granted to a municipality herein shall be in addition to any other powers which it might now have.

Sec. 84. Section 73-101, Reissue Revised Statutes of Nebraska, is amended to read:

73-101. Whenever the State of Nebraska, or any department or any agency thereof, any county board, county clerk, county highway superintendent, the mayor and city council or commissioner of any municipality, any entity created pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act, or the officers of any school district, township, or other governmental subdivision, shall advertise for bids in pursuance of any statutes of the State of Nebraska, on any road contract work or any public improvements work, or for supplies, construction, repairs, and improvements, and in all other cases where bids for supplies or work, of any character whatsoever, are received for the various departments and agencies of the state, and other subdivisions and agencies ~~above~~ enumerated in this section, they shall fix not only the day upon which such bids shall be returned, received, or opened, as provided by other statutes, but shall also fix the hour at which such bids

shall close, or be received or opened, and they shall also provide that such bids shall be immediately and simultaneously opened in the presence of the bidders, or representatives of the bidders, when the hour is reached for the bids to close. ~~If , PROVIDED, that where~~ bids are being opened on more than one contract, the officials having in charge the opening of such bids may, if they deem it advisable, award each contract as the bids are opened.

Sec. 85. Section 74-1305, Reissue Revised Statutes of Nebraska, is amended to read:

74-1305. Such district shall have the power, right, and authority after notice and public hearing (1) to purchase within or without such county railroad rights-of-way including the improvements, (2) to purchase land not presently owned or used by any railroad company for additional right-of-way or additional switch or yard space where changes of routes or construction of interconnections or of new railroad yards is necessary or desirable, and (3) to acquire through the exercise of the power of eminent domain, but only upon the vote of the directors of such district, which vote shall require a five-sixths majority in districts governed pursuant to subsection (1) of section 74-1304 and a two-thirds majority in districts governed pursuant to subsection (2) of section 74-1304, and the written approval by each railroad involved in the contemplated relocation project, such land as set forth in subdivision (2) of this section for the purposes set forth in such subdivision, which acquisition shall follow the procedures set forth in sections 76-704 to 76-724.

Such land and improvements as may be acquired for the purpose of the removal of railroad trackage may be disposed of by conveying the same for reasonable consideration to a governmental entity for public purposes or by sale of the same as set forth in this section. Such new railroad rights-of-way, switches, and yards as may be obtained and constructed may be leased for use to railroads or may be sold to such railroads or may be traded to such railroads for other property belonging to such railroads.

Such property, real or personal, shall be sold in such manner and under such terms and conditions as the board shall deem in the best interests of the district; except that if the fair market value exceeds five thousand dollars, it may only be sold after due notice and hearing by such board at a regular meeting upon the vote of a majority of such board.

The board of directors of such district shall also have the right and authority to enter into contracts or other arrangements with the United States Government or its departments, any persons, railroads, corporations, political subdivisions, public and municipal corporations, and the state government of this state, making full use of the Interlocal Cooperation Act and the Joint Public Agency Act, for (1) cooperation or assistance in the design, construction, maintenance, sale, or lease of the works of the district, (2) making surveys and investigations or reports in relation to the objectives of the district, (3) cooperation or assistance in obtaining the construction, maintenance, or operation of a work or works of public improvement within the district for any of the purposes described in section 74-1302, (4) receiving the title or possession, or both, of any property and funds connected directly or indirectly with the purposes described in section 74-1302, (5) assuming, and becoming bound by, any obligations, promises, or covenants so connected, or (6) holding and saving the United States or others free from damages resulting from any construction works that may be undertaken.

Prior to implementing any plans affecting matters of planning by or the interests of any planning commission located within such district, the interests of any municipality, county or state educational institution or school district a portion of which lies within such district, any agricultural society, any airport authority, any natural resources district, or any other similar political entity, and any railroads, shippers, and affected property owners, the board shall consult with and submit such plans to such entities as may be concerned for study, review, comment, and suggestion. Approval of any state or federal regulatory agency shall be secured, when necessary, prior to implementing any of the provisions contained in sections 74-1301 to 74-1308 and the district shall comply with the requirements of any such agency.

In developing plans for specific projects, to determine the feasibility of implementing the purposes of sections 74-1301 to 74-1308, the district shall examine the costs and benefits to the community or communities, the railroads, and the highway users and shall calculate the costs and benefits by consideration being given but not limited to loss of revenue, increased operating costs, costs of installation, acquisition of real and personal property, relocation, signalization, communication, utilities, avoidance of hazards, creation of transportation efficiencies, resolving conflicts of land use, and any other ancillary or peripheral costs or

benefits.

Sec. 86. Section 77-2704.15, Reissue Revised Statutes of Nebraska, is amended to read:

77-2704.15. (1) Sales and use taxes shall not be imposed on the gross receipts from the sale, lease, or rental of and the storage, use, or other consumption in this state of purchases by the state, including public educational institutions recognized or established under the provisions of Chapter 85, or by any county, township, city, village, rural or suburban fire protection district, or joint entity or agency formed to fulfill the purposes described in the Integrated Solid Waste Management Act by any combination of two or more counties, townships, cities, or villages pursuant to the Interlocal Cooperation Act, ~~or~~ the Integrated Solid Waste Management Act, or the Joint Public Agency Act, except for purchases for use in the business of furnishing gas, water, electricity, or heat, or by any irrigation or reclamation district, the irrigation division of any public power and irrigation district, or public schools established under Chapter 79.

(2) The appointment of purchasing agents shall be recognized for the purpose of altering the status of the construction contractor as the ultimate consumer of property which is physically annexed to the structure and which subsequently belongs to the state or the governmental unit. The appointment of purchasing agents shall be in writing and occur prior to having any property annexed to real estate in the construction, improvement, or repair. The contractor who has been appointed as a purchasing agent may apply for a refund of or use as a credit against a future use tax liability the tax paid on inventory items annexed to real estate in the construction, improvement, or repair of a project for the state or a governmental unit.

(3) Any governmental unit listed in subsection (1) of this section, except the state, which enters into a contract of construction, improvement, or repair upon property annexed to real estate without first issuing a purchasing agent authorization to a contractor or repairperson prior to property being annexed to real estate in the project may apply to the Tax Commissioner for a refund of any sales and use tax paid by the contractor or repairperson on the property physically annexed to real estate in the construction, improvement, or repair.

Sec. 87. Section 77-3442, Revised Statutes Supplement, 1998, is amended to read:

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

(2)(a) Except as provided in subdivision (2)(b) of this section, school districts and multiple-district school systems may levy a maximum levy of (i) one dollar and ten cents per one hundred dollars of taxable valuation of property subject to the levy until fiscal year 2001-02 and (ii) one dollar per one hundred dollars of taxable valuation of property subject to the levy for fiscal year 2001-02 and all subsequent fiscal years. Excluded from this limitation are amounts levied to pay for sums agreed to be paid by a school district to certificated employees in exchange for a voluntary termination of employment and amounts levied to pay for special building funds and sinking funds established for projects commenced prior to April 1, 1996, for construction, expansion, or alteration of school district buildings. For purposes of this subsection, commenced means any action taken by the school board on the record which commits the board to expend district funds in planning, constructing, or carrying out the project.

(b) Federal aid school districts may exceed the maximum levy prescribed by subdivision (2)(a) of this section only to the extent necessary to qualify to receive federal aid pursuant to Title VIII of Public Law 103-382. For purposes of this subdivision, federal aid school district means any school district which receives ten percent or more of the revenue for its general fund budget from federal government sources pursuant to Title VIII of Public Law 103-382.

(3) Community colleges may levy a maximum levy on each one hundred dollars of taxable property subject to the levy of (a) eight cents for fiscal year 1998-99 and fiscal year 1999-2000 and (b) seven cents for fiscal year 2000-01 and each fiscal year thereafter.

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

(5) Educational service units may levy a maximum levy of one and one-half cents per one hundred dollars of taxable valuation of property subject to the levy.

(6) Incorporated cities and villages may levy a maximum levy of

forty-five cents per one hundred dollars of taxable valuation of property subject to the levy plus an additional five cents per one hundred dollars of taxable valuation to provide financing for the municipality's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The maximum levy shall include amounts levied to pay for sums to support a library pursuant to section 51-201, museum pursuant to section 51-501, visiting community nurse, home health nurse, or home health agency pursuant to section 71-1637, or statue, memorial, or monument pursuant to section 80-202.

(7) Sanitary and improvement districts which have been in existence for more than five years may levy a maximum levy of forty cents per one hundred dollars of taxable valuation of property subject to the levy, and sanitary and improvement districts which have been in existence for five years or less shall not have a maximum levy.

(8) Counties may levy or authorize a maximum levy of fifty cents per one hundred dollars of taxable valuation of property subject to the levy, except that five cents per one hundred dollars of taxable valuation of property subject to the levy may only be levied to provide financing for the county's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The maximum levy shall include amounts levied to pay for sums to support a library pursuant to section 51-201 or museum pursuant to section 51-501. The county may allocate up to fifteen cents of its authority to other political subdivisions subject to allocation of property tax authority under subsection (1) of section 77-3443 and not specifically covered in this section to levy taxes as authorized by law which do not collectively exceed fifteen cents per one hundred dollars of taxable valuation on any parcel or item of taxable property. The county may allocate to one or more other political subdivisions subject to allocation of property tax authority by the county under subsection (1) of section 77-3443 some or all of the county's five cents per one hundred dollars of valuation authorized for support of an ~~interlocal~~ agreement or agreements to be levied by the political subdivision for the purpose of supporting that political subdivision's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. If an allocation by a county would cause another county to exceed its levy authority under this section, the second county may exceed the levy authority in order to levy the amount allocated.

(9) Property tax levies for judgments obtained against a political subdivision which require or obligate a political subdivision to pay such judgment, to the extent such judgment is not paid by liability insurance coverage of a political subdivision, for preexisting lease-purchase contracts approved prior to July 1, 1998, and for bonded indebtedness approved according to law and secured by a levy on property are not included in the levy limits established by this section.

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

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

Sec. 88. Section 79-1028, Revised Statutes Supplement, 1998, is amended to read:

79-1028. (1) A Class II, III, IV, V, or VI school district may exceed the local system's allowable growth rate for (a) expenditures in support of a service which is the subject of an ~~interlocal cooperation~~ agreement or a modification of an existing agreement whether operated by one of the parties to the agreement or an independent joint entity or joint public agency, (b) expenditures to pay for repairs to infrastructure damaged by a natural disaster which is declared a disaster emergency pursuant to the Emergency Management Act, (c) expenditures to pay for judgments, except judgments or orders from the Commission of Industrial Relations, obtained against a school district which require or obligate a school district to pay such judgment, to the extent such judgment is not paid by liability insurance coverage of a school district, (d) expenditures to pay for sums agreed to be paid by a school district to certificated employees in exchange for a voluntary termination of employment, or (e) expenditures to pay for lease-purchase contracts approved on or after July 1, 1997, and before July 1, 1998, to the extent the lease payments are not budgeted expenditures for fiscal year 1997-98.

(2) A Class II, III, IV, V, or VI district may exceed its applicable allowable growth rate by a specific dollar amount if the district projects an

increase in formula students in the district over the current school year greater than twenty-five students or greater than those listed in the schedule provided in this subsection, whichever is less. Districts shall project increases in formula students on forms prescribed by the department. The state board shall approve, deny, or modify the projected increases.

Average daily membership of district	Projected increase of formula students by percentage
0 - 50	10
50.01 - 250	5
250.01 - 1,000	3
1,000.01 and over	1

The department shall compute the district's estimated allowable budget per pupil using the budgeted general fund expenditures found on the budget statement for the current school year divided by the number of formula students in the current school year and multiplied by the district's applicable allowable growth rate. The resulting allowable budget per pupil shall be multiplied by the projected formula students to arrive at the estimated budget needs for the ensuing year. The department shall allow the district to increase its general fund budget of expenditures for the ensuing school year by the amount necessary to fund the estimated budget needs of the district as computed pursuant to this subsection. On or before July 1, 1998, and on or before December 1, 1998, and each December 1 thereafter, the department shall make needed revisions in the applicable allowable growth rate of districts which have been allowed additional growth pursuant to this subsection to reflect the actual formula students of such district and shall certify such revisions to each district.

(3) A Class II, III, IV, V, or VI district may exceed its applicable allowable growth rate by a specific dollar amount if construction, expansion, or alteration of district buildings will cause an increase in building operation and maintenance costs of at least five percent. The department shall document the projected increase in building operation and maintenance costs and may allow a Class II, III, IV, V, or VI district to exceed the local system's applicable allowable growth percentage by the amount necessary to fund such increased costs. The department shall compute the actual increased costs for the school year and shall, if needed, modify the local system's applicable allowable growth rate for the ensuing school year.

(4) A Class II, III, IV, V, or VI district may exceed its applicable allowable growth rate by a specific dollar amount if the district demonstrates to the satisfaction of the state board that it will exceed its applicable allowable growth rate as a result of costs pursuant to the Retirement Incentive Plan authorized in section 79-855 or the Staff Development Assistance authorized in section 79-856. The department shall compute the amount by which the increased cost of such program or programs exceeds the district's applicable allowable growth rate and shall allow the district to increase its general fund expenditures by such amount for that fiscal year.

Sec. 89. Section 79-1204, Revised Statutes Supplement, 1998, is amended to read:

79-1204. (1) The role and mission of the educational service units is to serve as educational service providers in the state's system of elementary and secondary education.

(2) Educational service units shall:

(a) Act primarily as service agencies in providing core services and services identified and requested by member school districts;

(b) Provide for economy, efficiency, and cost-effectiveness in the cooperative delivery of educational services;

(c) Provide educational services through leadership, research, and development in elementary and secondary education;

(d) Act in a cooperative and supportive role with the State Department of Education and school districts in development and implementation of long-range plans, strategies, and goals for the enhancement of educational opportunities in elementary and secondary education; and

(e) Serve, when appropriate and as funds become available, as a repository, clearinghouse, and administrator of federal, state, and private funds on behalf of school districts which choose to participate in special programs, projects, or grants in order to enhance the quality of education in Nebraska schools.

(3) Except as provided in section 79-1241, core services shall be provided by educational service units to all member school districts. Core services shall be defined by each educational service unit as follows:

(a) Core services shall be within the following service areas in order of priority: (i) Staff development; (ii) technology; and (iii)

instructional materials services;

(b) Core services shall improve teaching and student learning by focusing on enhancing school improvement efforts, meeting statewide requirements, and achieving statewide goals in the state's system of elementary and secondary education;

(c) Core services shall provide schools with access to services that:

(i) The educational service unit and its member school districts have identified as necessary services;

(ii) Are difficult, if not impossible, for most individual school districts to effectively and efficiently provide with their own personnel and financial resources;

(iii) Can be efficiently provided by each educational service unit to its member school districts;

(iv) Can be adequately funded to ensure that the service is provided equitably to the state's public school districts;

(d) Core services shall be designed so that the effectiveness and efficiency of the service can be evaluated on a statewide basis; and

(e) Core services shall be provided by the educational service unit in a manner that minimizes the costs of administration or service delivery to member school districts.

(4) Educational service units shall meet minimum accreditation standards set by the State Board of Education that will:

(a) Provide for accountability to taxpayers;

(b) Assure that educational service units are assisting and cooperating with school districts to provide for equitable and adequate educational opportunities statewide; and

(c) Assure a level of quality in educational programs and services provided to school districts by the educational service units.

(5) Educational service units may contract to provide services to:

(a) Nonmember public school districts;

(b) Nonpublic school systems;

(c) Other educational service units; and

(d) Other political subdivisions, under the Interlocal Cooperation Act and the Joint Public Agency Act.

(6) Educational service units shall not regulate school districts unless specifically provided pursuant to another section of law.

Sec. 90. Section 79-1233, Reissue Revised Statutes of Nebraska, is amended to read:

79-1233. Each educational service unit shall provide, in cooperation with the State Department of Education, access for all school districts within the geographical area served by the unit to telecomputing resources through the installation of necessary equipment at each educational service unit location and shall provide support for training users to meet their specific telecomputing needs. Each educational service unit shall also develop, with the State Department of Education, a plan which provides for connecting the telecomputing equipment of such school districts with the telecomputing equipment of the unit. An amount not to exceed the proceeds of one-half of the five-tenths cent on each one hundred dollars of assessed valuation, which may be levied for the purposes of this section under section 79-1225, may be used to connect the telecomputing equipment of the school districts to the educational service unit pursuant to the plan adopted by the educational service unit.

The purchase of and planning for equipment and software for the educational service units shall be coordinated by the department and shall be compatible with a statewide plan for telecomputing agreed upon by the Department of Administrative Services and the State Department of Education. Educational service units may enter into agreements pursuant to the Interlocal Cooperation Act and the Joint Public Agency Act to carry out this section. Such agreements may include, but need not be limited to, provisions requiring any school district having telecomputing equipment connected to the educational service unit's telecomputing equipment to pay periodic fees necessary to cover the cost of such usage.

Sec. 91. Section 81-829.39, Reissue Revised Statutes of Nebraska, is amended to read:

81-829.39. For purposes of the Emergency Management Act, unless the context otherwise requires:

(1) Civil defense emergency means an emergency declared by the President of the United States or Congress pursuant to applicable federal law finding that an attack upon the United States has occurred or is anticipated and that the national safety therefor requires the invocation of the emergency authority provided for by federal law. Civil defense emergency also means an

enemy attack or other hostile action within the State of Nebraska or a determination by the President of the United States that any attack has been made upon or is anticipated within a designated geographic area which includes all or a part of the State of Nebraska. Any such emergency shall terminate in the manner provided by federal law or by proclamation of the Governor or resolution of the Legislature terminating such emergency;

(2) Disaster means any event or the imminent threat thereof causing widespread or severe damage, injury, or loss of life or property resulting from any natural or manmade cause;

(3) Emergency means any event or the imminent threat thereof causing serious damage, injury, or loss of life or property resulting from any natural or manmade cause which, in the determination of the Governor or the principal executive officer of a local government, requires immediate action to accomplish the purposes of the Emergency Management Act and to effectively respond to the event or threat of the event;

(4) Emergency management means the preparation for and the carrying out of all emergency functions, other than functions for which military forces are primarily responsible, to mitigate, prevent, minimize, respond to, and recover from injury and damage resulting from disasters, emergencies, or civil defense emergencies. Emergency management functions include, but need not be limited to, firefighting services, police services, medical and health services, search and rescue services, engineering services, communications and warning systems, radiological preparedness, hazardous materials response, evacuation of persons from stricken areas, emergency welfare services, emergency transportation services, restoration of public utility services, and other functions related to civilian protection, together with all other activities necessary or incidental to the preparation for and carrying out of the functions listed in this subdivision;

(5) Emergency management worker includes any full-time or part-time paid, volunteer, or auxiliary employee of this state or other states, territories, or possessions of the federal government or any neighboring country or of any political subdivision thereof, of the District of Columbia, or of any agency or organization performing emergency management services at any place in this state subject to the order or control of or pursuant to a request of the state government or any political subdivision thereof and also includes instructors and students in emergency management educational programs approved by the Nebraska Emergency Management Agency or otherwise under the provisions of the Emergency Management Act;

(6) Hazard mitigation means measures which will eliminate or reduce the potential for damage to an area or facility from the effects of a future disaster, emergency, or civil defense emergency;

(7) Local government means a county, village, or city of any class;

(8) Political subdivision means a city, village, county, school district, public power district, natural resources district, and any other unit of government below the state level, including any entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act;

(9) Principal executive officer means the mayor in a city of any class or the elected chairperson of the governing body of a village or county;

(10) State emergency response team means an organization for emergency management established in accordance with the provisions of sections 81-829.52 to 81-829.54 by state authority to supplement city, village, county, or interjurisdictional emergency management organizations in a stricken area; and

(11) Technological hazard means a hazard emanating from the manufacture, transportation, and use of such substances as radioactive materials, chemicals, explosives, flammables, agricultural pesticides, herbicides, disease agents, oil spills, and debris from space.

Sec. 92. Section 81-8,210, Reissue Revised Statutes of Nebraska, is amended to read:

81-8,210. For purposes of the State Tort Claims Act, unless the context otherwise requires:

(1) State agency shall include all departments, agencies, boards, bureaus, and commissions of the State of Nebraska and corporations the primary function of which is to act as, and while acting as, instrumentalities or agencies of the State of Nebraska but shall not include corporations that are essentially private corporations or entities created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. State agency shall not be construed to include any contractor with the State of Nebraska;

(2) State Claims Board shall mean the board created by section 81-8,220;

(3) Employee of the state shall mean any one or more officers or employees of the state or any state agency and shall include duly appointed members of boards or commissions when they are acting in their official capacity. State employee shall not be construed to include any employee of an entity created by local public agencies pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act or any contractor with the State of Nebraska;

(4) Tort claim shall mean any claim against the State of Nebraska for money only on account of damage to or loss of property or on account of personal injury or death caused by the negligent or wrongful act or omission of any employee of the state, while acting within the scope of his or her office or employment, under circumstances in which the state, if a private person, would be liable to the claimant for such damage, loss, injury, or death but shall not include any claim accruing before January 1, 1970, and any claim against an employee of the state for money only on account of damage to or loss of property or on account of personal injury or death caused by the negligent or wrongful act or omission of the employee while acting within the scope of his or her employment occurring on or after August 25, 1989; and

(5) Award shall mean any amount determined by the State Claims Board to be payable to a claimant under section 81-8,211 or the amount of any compromise or settlement under section 81-8,218.

Sec. 93. Section 81-8,239.01, Reissue Revised Statutes of Nebraska, is amended to read:

81-8,239.01. (1) For purposes of sections 81-8,239.01 to 81-8,239.08, unless the context otherwise requires, the definition of state agencies found in section 81-8,210 shall apply, except that such term shall not include the Board of Regents of the University of Nebraska.

(2) There is hereby established a division within the Department of Administrative Services to be known as the risk management and state claims division. The division shall be headed by the Risk Manager who shall be appointed by the Director of Administrative Services. The division shall be responsible for the Risk Management Program, which program is hereby created. The program shall consist of the systematic identification of exposures to risk of loss as provided in sections 11-201 to 11-203, 13-911, 25-2165, 43-1320, 44-1615, 44-1616, 48-194, 48-197, 48-1,103, 48-1,104, 48-1,107, 48-1,109, 81-8,212, 81-8,220, 81-8,225, 81-8,226, 81-8,233, 81-8,239.01 to 81-8,239.08, and 81-8,300 and shall include the appropriate methods for dealing with such exposures in relation to the state budget pursuant to such sections. Such program shall be administered by the Risk Manager and shall include the operations of the State Claims Board and other operations provided in such sections.

(3) Under the Risk Management Program, the Risk Manager shall have the authority and responsibility to:

(a) Employ any personnel necessary to administer the Risk Management Program;

(b) Develop and maintain loss and exposure data on all state property and liability risks;

(c) Develop and recommend risk reduction or elimination programs for the state and its agencies and establish, implement, and monitor a statewide safety program;

(d) Determine which risk exposures shall be insured and which risk exposures shall be self-insured or assumed by the state;

(e) Establish standards for the purchase of necessary insurance coverage or risk management services at the lowest costs, consistent with good underwriting practices and sound risk management techniques;

(f) Be the exclusive negotiating and contracting agency to purchase insurance or risk management services and, after consultation with the state agency for which the insurance or services are purchased, enter into such contracts on behalf of the state and its agencies, officials, and employees to the extent deemed necessary and in the best interest of the state, and authorize payment for such purchase out of the appropriate funds created by section 81-8,239.02;

(g) Determine whether the state suffered a loss for which self-insured property loss funds have been created and authorize and administer payments for such loss from the State Self-Insured Property Fund for the purpose of replacing or rebuilding state property;

(h) Perform all duties assigned to the Risk Manager under the Nebraska Workers' Compensation Act and sections 11-201 to 11-203, 81-8,239.05, 81-8,239.07, 81-8,239.10, and 84-1601 to 84-1615;

(i) Approve the use of risk management pools by any department, agency, board, bureau, commission, or council of the State of Nebraska; and

(j) Recommend to the Legislature such legislation as may be

necessary to carry out the purposes of the Risk Management Program and make appropriation requests for the administration of the program and the funding of the separate funds administered by the Risk Manager.

(4) No official or employee of any entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act shall be considered a state official or employee for purposes of sections 81-8,239.01 to 81-8,239.06.

Sec. 94. Section 81-8,303, Reissue Revised Statutes of Nebraska, is amended to read:

81-8,303. For purposes of the State Contract Claims Act, unless the context otherwise requires:

(1) Contract claim shall mean a claim against the state involving a dispute regarding a contract between the State of Nebraska or a state agency and the claimant other than employment contracts covered by the State Personnel System or entered into pursuant to the State Employees Collective Bargaining Act;

(2) Contracting agency shall mean the state agency which is a party to a contract which gives rise to the contract claim; and

(3) State agency shall mean all departments, agencies, boards, bureaus, and commissions of the State of Nebraska and corporations the primary function of which is to act as, and while acting as, instrumentalities or agencies of the State of Nebraska but shall not include corporations that are essentially private corporations or entities created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. State agency shall not be construed to include any contractor with the State of Nebraska.

Sec. 95. Section 81-1117, Revised Statutes Supplement, 1998, is amended to read:

81-1117. (1) As used in this section, unless the context otherwise requires, information management includes, but is not limited to:

(a) Mainframe computers, minicomputers, microprocessors, word processors, and desktop computers;

(b) Any peripheral device to be used with the equipment listed in subdivision (1)(a) of this section for such purposes as data input and output, data storage, or data communications;

(c) Any code or program to control the operation of the equipment or devices listed in subdivision (1)(a) or (1)(b) of this section; and

(d) Employment of professional expertise for computer system design, operations, or program development.

(2) Subject to review and approval by the Director of Administrative Services, the information management services administrator shall have the following powers, duties, and responsibilities:

(a) He or she may review the accounting and other records and reporting systems of all divisions within the Department of Administrative Services and within every other department and agency of the state;

(b) He or she shall systematically review the potential application of information management to any work performed outside the information management services division or by any department or agency of the state or any subdivision of any department or agency of the state, and if he or she finds that the costs of mechanizing such work will not exceed present costs or that efficiencies may be achieved, he or she may accept responsibility for the performance of such work. He or she may also review current computer applications to determine if revision or deletion of computer applications would be beneficial. The findings of reviews made pursuant to this subdivision shall be reported to the Governor and the Legislative Fiscal Analyst;

(c) He or she may, with the approval of the director, make such revisions to internal systems for production of accounting and other reports as may be necessary to permit economical undertaking of work to be performed by the information management services division for any agency or department of the state;

(d) He or she shall organize the information management services division to provide system review, system design, feasibility studies, and machine reviews;

(e) He or she may review the operations of information management installations as may exist in any department or agency of the state and may cause such operations to be merged with those of the information management services division in the event that a cost analysis shows that economic advantage may be achieved. He or she may permit the establishment of departmental or agency information management operations in any department or agency of the state if his or her analysis of feasibility shows a potential economy or a substantial convenience for the state incident to such separate

establishment. No state agency shall hire, purchase, lease, or rent any information management item listed in subsection (1) of this section without the written approval of the information management services administrator. All new computer programs developed or acquired for use with information management equipment of any state agency shall be documented according to standards developed or approved by the information management services administrator;

(f) He or she shall prepare a budget in sufficient time in advance of the statutory date for submittal of budget requests by departments and agencies of the state as to permit each department and agency for which services are performed, or are to be performed during the request budget period, to be informed of the cost of maintaining the current fiscal year's production work for inclusion within their respective budget requests;

(g) He or she shall provide for a system of charges for services rendered by the information management services division of the Department of Administrative Services to any other department or agency of the state when these charges are allocable to a particular project carried on by such department or division. Such standard rate charges shall, as nearly as may be practical, reflect the actual costs incurred in the performance of services for such department or agency. Such system of charges shall be annually reviewed by the Legislature's Committee on Appropriations. Rates planned for the coming fiscal year shall be included in the instructions for completion of budget request forms as annually prepared by the Department of Administrative Services budget division. If rate revisions are required during the fiscal year to reflect changes in the information management services division's operating costs, these revisions shall be announced to state agencies at least thirty days prior to their use in billing these agencies for service. Miscellaneous supplies shall be billed to using agencies at actual cost. Equipment used primarily by one agency for special applications shall be billed to that agency at actual cost. In the event of saturation of the information management services division with the resulting need for contractual support to be furnished by another information management installation, agencies shall be billed at actual cost. The charges received by the department for information management services shall be credited to a fund hereby created which shall be known as the Information Management Revolving Fund. Expenditures shall be made from such fund to finance the operations of the information management services division in accordance with appropriations made by the Legislature. Any money in the Data Processing Revolving Fund on April 3, 1998, shall be transferred to the Information Management Revolving Fund on or after such date. Any money in the Information Management Revolving Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act;

(h) He or she may provide information management services and technical assistance to any subdivision of government as provided for under the Interlocal Cooperation Act or the Joint Public Agency Act;

(i) He or she shall provide for the centralization of all administrative work, including that of educational institutions, into the information management services division;

(j) He or she shall provide definitions of standards and common data elements, coordinate the collection of data, consolidate data files or data banks, and review and approve or disapprove the establishment of separate data banks; and

(k) He or she shall provide assistance as requested by the Nebraska Information Technology Commission to support the technical panel created in section 86-1511.

Each member of the Legislature shall receive a copy of the report required by subdivision (2)(b) of this section by making a request for it to the administrator.

Sec. 96. Section 81-1164, Reissue Revised Statutes of Nebraska, is amended to read:

81-1164. For purposes of the Forms Management Program Act, unless the context otherwise requires:

(1) State agency shall mean any state constitutional office, state administrative department, or any state board or commission established by an act of the Legislature except the University of Nebraska, the Nebraska state colleges, and their respective governing boards. State agency shall not be construed to mean any entity created by ~~local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act;

(2) Director shall mean the Director of Administrative Services;

(3) Department shall mean the Department of Administrative Services;

and

(4) Form shall mean every piece of paper, printed or reproduced by whatever means, with blank spaces left for entry of additional data which is used in any transaction between a state agency and any person as defined in section 49-801.

Sec. 97. Section 81-1391, Revised Statutes Supplement, 1998, is amended to read:

81-1391. Any state employee who is a certified disaster service volunteer of the American Red Cross may, with the authorization of his or her supervisor, be granted a leave not to exceed fifteen working days in each year to participate in specialized disaster relief services in Nebraska for the American Red Cross, upon the request of the American Red Cross, without loss of pay, vacation time, sick leave, or earned overtime accumulation.

For purposes of this section, state employee means any employee of the state or of any state agency, specifically including all administrative, professional, academic, and other personnel of the University of Nebraska, the state colleges, and the State Department of Education, but excluding any employee or officer of the state whose salary is set by the Constitution of Nebraska or by statute. An employee of any local government or entity, including any entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act, shall not be considered a state employee for purposes of this section.

Sec. 98. Section 81-2216, Reissue Revised Statutes of Nebraska, is amended to read:

81-2216. The department shall designate, to perform the functions of an area agency on aging, any office or agency having the necessary authority and capacity which is proposed by the chief elected officials of a combination of units of local general-purpose governments formed under the Interlocal Cooperation Act or the Joint Public Agency Act.

Sec. 99. Section 84-1202, Revised Statutes Supplement, 1998, is amended to read:

84-1202. For purposes of the Records Management Act, unless the context otherwise requires:

(1) Agency means any department, division, office, commission, court, board, or elected, appointed, or constitutional officer, except individual members of the Legislature, or any other unit or body, however designated, of the executive, judicial, and legislative branches of state government or of the government of any local political subdivision;

(2) Agency head means the chief or principal official or representative in any such agency or the presiding judge of any court, by whatever title known. When an agency consists of a single official, the agency and the agency head are one and the same;

(3) State agency means an agency of the state government;

(4) Local agency means an agency of a local political subdivision, including any entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act;

(5) Local political subdivision means any county, city, village, township, district, authority, or other public corporation or political entity, whether existing under charter or general law, including any entity created ~~by local public agencies~~ pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. Local political subdivision does not include a city of the metropolitan class or a district or other unit which by law is considered an integral part of state government;

(6) Record means any book, document, paper, photograph, microfilm, sound recording, magnetic storage medium, optical storage medium, or other material regardless of physical form or characteristics created or received pursuant to law, charter, or ordinance or in connection with any other activity relating to or having an effect upon the transaction of public business;

(7) State record means a record which normally is maintained within the custody or control of a state agency or any other record which is designated or treated as a state record according to general law;

(8) Local record means a record of a local political subdivision or of any agency thereof unless designated or treated as a state record under general law;

(9) Essential record means a state or local record which is within one or the other of the following categories and which shall be preserved pursuant to the Records Management Act:

(a) Category A. Records containing information necessary to the operations of government under all conditions, including a period of emergency created by a disaster; or

(b) Category B. Records not within Category A but which contain information necessary to protect the rights and interests of persons or to

establish or affirm the powers and duties of state or local governments in the resumption of operations after a disaster;

(10) Preservation duplicate means a copy of an essential record which is used for the purpose of preserving the record pursuant to the act;

(11) Disaster means any occurrence of fire, flood, storm, earthquake, explosion, epidemic, riot, sabotage, or other conditions of extreme peril resulting in substantial injury or damage to persons or property within this state, whether such occurrence is caused by an act of nature or of humans, including an enemy of the United States;

(12) Administrator means the State Records Administrator;

(13) Board means the State Records Board;

(14) Electronic access means collecting, sharing, disseminating, and providing access to public records electronically;

(15) Gateway means any centralized electronic information system by which public records are provided through dial-in modem or continuous link;

(16) Public records includes all records and documents, regardless of physical form, of or belonging to this state or any agency, branch, department, board, bureau, commission, council, subunit, or committee of this state except when any other statute expressly provides that particular information or records shall not be made public. Data which is a public record in its original form shall remain a public record when maintained in computer files; and

(17) Network manager means an individual, a private entity, a state agency, or any other governmental subdivision responsible for directing and supervising the day-to-day operations and expansion of a gateway.

Sec. 100. Section 84-1411, Revised Statutes Supplement, 1998, is amended to read:

84-1411. (1) Each public body shall give reasonable advance publicized notice of the time and place of each meeting by a method designated by each public body and recorded in its minutes. Such notice shall be transmitted to all members of the public body and to the public. Such notice shall contain an agenda of subjects known at the time of the publicized notice or a statement that the agenda, which shall be kept continually current, shall be readily available for public inspection at the principal office of the public body during normal business hours. Except for items of an emergency nature, the agenda shall not be altered later than (a) twenty-four hours before the scheduled commencement of the meeting or (b) forty-eight hours before the scheduled commencement of a meeting of a city council or village board scheduled outside the corporate limits of the municipality. The public body shall have the right to modify the agenda to include items of an emergency nature only at such public meeting.

(2) A meeting of a state agency, state board, state commission, state council, or state committee, of an advisory committee of any such state entity, of an organization created under the Interlocal Cooperation Act, the Joint Public Agency Act, or the Municipal Cooperative Financing Act, of the governing body of a public power district having a chartered territory of more than fifty counties in this state, or of the governing body of a risk management pool or its advisory committees organized in accordance with the Intergovernmental Risk Management Act may be held by means of videoconferencing if:

(a) Reasonable advance publicized notice is given;

(b) Reasonable arrangements are made to accommodate the public's right to attend, hear, and speak at the meeting, including seating, recordation by audio or visual recording devices, and a reasonable opportunity for input such as public comment or questions to at least the same extent as would be provided if videoconferencing was not used;

(c) At least one copy of all documents being considered is available to the public at each site of the videoconference;

(d) At least one member of the state entity, advisory committee, or governing body is present at each site of the videoconference; and

(e) No more than one-half of the state entity's, advisory committee's, or governing body's meetings in a calendar year are held by videoconference.

Videoconferencing shall not be used to circumvent any of the public government purposes established in sections 84-1408 to 84-1414.

(3) The secretary or other designee of each public body shall maintain a list of the news media requesting notification of meetings and shall make reasonable efforts to provide advance notification to them of the time and place of each meeting and the subjects to be discussed at that meeting.

(4) When it is necessary to hold an emergency meeting without reasonable advance public notice, the nature of the emergency shall be stated

in the minutes and any formal action taken in such meeting shall pertain only to the emergency. Such emergency meetings may be held by means of electronic or telecommunication equipment. The provisions of subsection (3) of this section shall be complied with in conducting emergency meetings. Complete minutes of such emergency meetings specifying the nature of the emergency and any formal action taken at the meeting shall be made available to the public by no later than the end of the next regular business day.

(5) A public body may allow a member of the public or any other witness other than a member of the public body to appear before the public body by means of video or telecommunications equipment.

(6) It is the intent of the Legislature that on or before January 1, 1997, the Government, Military and Veterans Affairs Committee of the Legislature review the effects of subsections (2) and (5) of this section on openness of meetings, effectiveness of public access arrangements, costs and cost-savings, and any tendency observed to abuse or circumvent the open meeting provisions of sections 84-1408 to 84-1414. The committee shall develop and propose any corrective legislation it deems necessary.

Sec. 101. If any section in this act or any part of any section is declared invalid or unconstitutional, the declaration shall not affect the validity or constitutionality of the remaining portions.

Sec. 102. Original sections 13-303, 13-318, 13-319, 13-903, 13-2004, 13-2025.01, 14-102, 14-1805, 16-6,110, 17-174, 18-2704, 19-3801, 23-2809, 23-3637, 29-215, 35-514.02, 35-1204, 37-334, 39-2114, 46-1502, 47-603, 48-193, 51-201, 58-202, 58-219, 58-239, 58-503, 60-335, 72-1403, 73-101, 74-1305, 77-2704.15, 79-1233, 81-829.39, 81-8,210, 81-8,239.01, 81-8,303, 81-1164, and 81-2216, Reissue Revised Statutes of Nebraska, and sections 13-520, 13-2401, 18-1716, 70-628.04, 77-3442, 79-1028, 79-1204, 81-1117, 81-1391, 84-1202, and 84-1411, Revised Statutes Supplement, 1998, are repealed.