

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 325**

Introduced by Davis, 43; Schilz, 47.

Read first time January 15, 2015

Committee:

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections  
2 13-303, 13-2809, 35-508, 35-509, 35-514.02, 35-517, and 77-3443,  
3 Reissue Revised Statutes of Nebraska, and section 77-3442, Revised  
4 Statutes Cumulative Supplement, 2014; to change levy provisions for  
5 rural and suburban fire protection districts; to harmonize  
6 provisions; to provide an operative date; and to repeal the original  
7 sections.  
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-303, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 13-303 The county boards of counties and the governing bodies of  
4 cities and villages may establish an emergency medical service, including  
5 the provision of scheduled and unscheduled ambulance service, as a  
6 governmental service either within or without the county or municipality,  
7 as the case may be. The county board or governing body may contract with  
8 any city, person, firm, or corporation licensed as an emergency medical  
9 service for emergency medical care by out-of-hospital emergency care  
10 providers. Each may enter into an agreement with the other under the  
11 Interlocal Cooperation Act or Joint Public Agency Act for the purpose of  
12 establishing an emergency medical service or may provide a separate  
13 service for itself. Public funds may be expended therefor, and a  
14 reasonable service fee may be charged to the user. Before any such  
15 service is established under the authority of this section, the county  
16 board or the governing bodies of cities and villages shall hold a public  
17 hearing after giving at least ten days' notice thereof, which notice  
18 shall include a brief summary of the general plan for establishing such  
19 service, including an estimate of the initial cost and the possible  
20 continuing cost of operating such service. If the board or governing body  
21 after such hearing determines that an emergency medical service for  
22 emergency medical care by out-of-hospital emergency care providers is  
23 needed, it may proceed as authorized in this section. The authority  
24 granted in this section shall be cumulative and supplementary to any  
25 existing powers heretofore granted. Any county board of counties and the  
26 governing bodies of cities and villages may pay their cost for such  
27 service out of available general funds or may levy a tax for the purpose  
28 of providing the service, which levy shall be in addition to all other  
29 taxes and shall be in addition to restrictions on the levy of taxes  
30 provided by statute, except that when a rural or suburban fire protection  
31 ~~fire~~ district provides the service the county shall pay the cost for the

1 county service by levying a tax on that property not in the rural or  
2 suburban fire protection ~~a fire district~~ providing the service. The levy  
3 shall be subject to subsection (10) of section 77-3442 or section  
4 77-3443, as applicable.

5 Sec. 2. Section 13-2809, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 13-2809 (1) An area within the boundaries of a municipality which  
8 remains within the boundaries of a municipal county and is not  
9 consolidated into the municipal county at the time of the formation of  
10 the municipal county shall not be considered to be part of the municipal  
11 county for any purpose. Such a municipality shall not be annexed by the  
12 municipal county, and such a municipality shall not annex any territory,  
13 for at least four years after the date of creation of the municipal  
14 county. Such a municipality shall retain:

15 (a) The authority to levy property taxes, not to exceed ninety cents  
16 per one hundred dollars of taxable value except as provided in sections  
17 77-3442 and 77-3444; and

18 (b) All the other powers and duties applicable to a municipality of  
19 the same population with the same form of government in effect on the  
20 date of creation of the municipal county, including, but not limited to,  
21 its zoning jurisdiction and the authority to impose a tax as provided in  
22 the Local Option Revenue Act.

23 (2) In order to provide economical and efficient services, a  
24 municipality within the boundaries of a municipal county may annex  
25 adjacent territory within the municipal county if the municipal county  
26 consents. Consent shall be granted if the services will be provided by  
27 the municipality within the annexed territory at less cost than similar  
28 services provided by the municipal county.

29 (3) All fire protection districts ~~subject to municipal county levy~~  
30 ~~authority under section 77-3443~~ which are within the boundaries of a  
31 municipal county shall continue to exist after formation of the municipal

1 county.

2 Sec. 3. Section 35-508, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 35-508 The board of directors shall have the following general  
5 powers:

6 (1) To determine a general fire protection and rescue program for  
7 the district;

8 (2) To make an annual estimate of the probable expense for carrying  
9 out such program;

10 (3) To annually certify such estimate to the county clerk in the  
11 manner provided by section 35-509;

12 (4) To manage and conduct the business affairs of the district;

13 (5) To make and execute contracts in the name of and on behalf of  
14 the district;

15 (6) To buy real estate when needed for the district and to sell real  
16 estate of the district when the district has no further use for it;

17 (7) To purchase or lease such firefighting and rescue equipment,  
18 supplies, and other real or personal property as necessary and proper to  
19 carry out the general fire protection and rescue program of the district;

20 (8) To incur indebtedness on behalf of the district;

21 (9) To authorize the issuance of evidences of the indebtedness  
22 permitted under subdivision (8) of this section and to pledge any real or  
23 personal property owned or acquired by the district as security for the  
24 same;

25 (10) To organize, establish, equip, maintain, and supervise a paid,  
26 volunteer, or combination paid and volunteer fire department or company  
27 to serve the district and to establish a service award benefit program  
28 pursuant to the Volunteer Emergency Responders Recruitment and Retention  
29 Act;

30 (11) To employ and compensate such personnel as necessary to carry  
31 out the general fire protection and rescue program of the district;

1           (12) To authorize the execution of a contract with the Game and  
2 Parks Commission or a public power district for fire protection of  
3 property of the commission or public power district located in or  
4 adjacent to the rural or suburban fire protection district;

5           (13)(a) If the rural or suburban fire protection district has levy  
6 authority pursuant to subsection (10) of section 77-3442, to levy a tax  
7 not to exceed ten and one-half cents on each one hundred dollars in any  
8 one year upon the taxable value of all taxable property within such  
9 district for the purpose of establishing a sinking fund, which shall be  
10 in addition to the amount of tax which may be annually levied to defray  
11 the general and incidental expenses of such district. The sinking fund  
12 shall be for the construction, purchase, improvement, extension, original  
13 equipment, or repair, not including maintenance, of district buildings to  
14 house equipment or personal belongings of a fire department, for the  
15 purchase of firefighting and rescue equipment or apparatus, for the  
16 acquisition of any land incidental to such purposes, or for payment of  
17 principal and interest on any evidence of indebtedness issued pursuant to  
18 subdivisions (8) and (9) of this section. The levy authorized in this  
19 subdivision shall be subject to subsection (10) of section 77-3442.

20           (b) If the rural or suburban fire protection district does not have  
21 levy authority pursuant to subsection (10) of section 77-3442, to ~~(13) To~~  
22 levy a tax not to exceed ten and one-half cents on each one hundred  
23 dollars in any one year upon the taxable value of all taxable property  
24 within such district, subject to section 77-3443, for the purpose of  
25 establishing a sinking fund, which shall be in addition to the amount of  
26 tax which may be annually levied to defray the general and incidental  
27 expenses of such district. The , for the purpose of establishing a  
28 sinking fund shall be for the construction, purchase, improvement,  
29 extension, original equipment, or repair, not including maintenance, of  
30 district buildings to house equipment or personal belongings of a fire  
31 department, for the purchase of firefighting and rescue equipment or

1 apparatus, for the acquisition of any land incidental to such purposes,  
2 or for payment of principal and interest on any evidence of indebtedness  
3 issued pursuant to subdivisions (8) and (9) of this section. For purposes  
4 of section 77-3443, the county board of the county in which the greatest  
5 portion of the valuation of the district is located shall approve the  
6 levy;

7 (14) To adopt and enforce fire codes and establish penalties at  
8 annual meetings, except that the code must be available prior to annual  
9 meetings and notice shall so provide; and

10 (15) Generally to perform all acts necessary to fully carry out the  
11 purposes of sections 35-501 to 35-517.

12 Sec. 4. Section 35-509, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 35-509 (1) The board of directors shall have the power and duty to  
15 determine a general fire protection and rescue policy for the district  
16 and shall annually fix the amount of money for the proposed budget  
17 statement as may be deemed sufficient and necessary in carrying out such  
18 contemplated program for the ensuing fiscal year, including the amount of  
19 principal and interest upon the indebtedness of the district for the  
20 ensuing year. ~~After~~

21 (2)(a) For any rural or suburban fire protection district that has  
22 levy authority pursuant to subsection (10) of section 77-3442, after the  
23 adoption of the budget statement, the president and secretary of the  
24 district shall certify the amount of tax to be levied which the district  
25 requires for the adopted budget statement for the ensuing year to the  
26 proper county clerk or county clerks on or before August 1 of each year.  
27 The county board shall levy a tax not to exceed ten and one-half cents on  
28 each one hundred dollars upon the taxable value of all the taxable  
29 property in such district for the maintenance of the fire protection  
30 district for the fiscal year, plus such levy as is authorized to be made  
31 under subdivision (13)(a) of section 35-508, all such levies being

1 subject to subsection (10) of section 77-3442. The tax shall be collected  
2 as other taxes are collected in the county, deposited with the county  
3 treasurer, and placed to the credit of the rural or suburban fire  
4 protection district so authorizing the same on or before the fifteenth  
5 day of each month or more frequently as provided in section 77-1759 or be  
6 remitted to the county treasurer of the county in which the greatest  
7 portion of the valuation of the district is located as is provided for by  
8 subsection (3) of this section.

9       **(b) For any rural or suburban fire protection district that does not**  
10 have levy authority pursuant to subsection (10) of section 77-3442, after  
11 the adoption of the budget statement, the president and secretary of the  
12 district shall certify request the amount of tax to be levied which the  
13 district requires for the adopted budget statement for the ensuing year  
14 to the proper county clerk or county clerks board on or before August 1  
15 of each year. The county Such board shall levy a tax not to exceed ten  
16 and one-half cents on each one hundred dollars upon the taxable value of  
17 all the taxable property in such district when the district is a rural or  
18 suburban fire protection district, for the maintenance of the fire  
19 protection district for the fiscal year as provided by law, plus such  
20 levy as is authorized to be made under subdivision (13)(b) of section  
21 35-508, all such levies being subject to section 77-3443. The tax shall  
22 be collected as other taxes are collected in the county, deposited with  
23 the county treasurer, and placed to the credit of the rural or suburban  
24 fire protection district so authorizing the same on or before the  
25 fifteenth day of each month or more frequently as provided in section  
26 77-1759 or be remitted to the county treasurer of the county in which the  
27 greatest portion of the valuation of the district is located as is  
28 provided for by subsection (3 2) of this section. For purposes of section  
29 77-3443, the county board of the county in which the greatest portion of  
30 the valuation of the district is located shall approve the levy.

31       **(3 2) All such taxes collected or received for the district by the**

1 treasurer of any other county than the one in which the greatest portion  
2 of the valuation of the district is located shall be remitted to the  
3 treasurer of the county in which the greatest portion of the valuation of  
4 the district is located at least quarterly. All such taxes collected or  
5 received shall be placed to the credit of such district in the treasury  
6 of the county in which the greatest portion of the valuation of the  
7 district is located.

8 (4 3) In no case shall the amount of tax levy exceed the amount of  
9 funds to be received from taxation according to the adopted budget  
10 statement of the district.

11 Sec. 5. Section 35-514.02, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 35-514.02 (1) A rural or suburban fire protection district may  
14 establish an emergency medical service, including the provision of  
15 scheduled or unscheduled ambulance service, or provide fire protection  
16 service either within or without the district, may enter into agreements  
17 under the Interlocal Cooperation Act and the Joint Public Agency Act for  
18 the purpose of establishing an emergency medical service or providing  
19 fire protection service, may contract with any city, person, firm,  
20 corporation, or other fire protection district to provide such services,  
21 may expend funds of the district, and may charge a reasonable fee to the  
22 user. Before any such services are established under the authority of  
23 this section, the rural or suburban fire protection district shall hold a  
24 public hearing after giving at least ten days' notice, which notice shall  
25 include a brief summary of the general plan for establishing the  
26 emergency medical service or providing fire protection service, including  
27 an estimate of the initial cost and the possible continuing cost of  
28 operating the emergency medical service or fire protection service. If  
29 the board after such hearing determines that an emergency medical service  
30 or fire protection service is needed, it may proceed as authorized in  
31 this section. The authority granted in this section shall be cumulative



1 and supplementary to any existing powers heretofore granted.

2 (2) Any fire protection district providing any service under this  
3 section may pay the cost for the service out of available funds or may  
4 levy a tax for the purpose of supporting an emergency medical service or  
5 providing fire protection service, which levy shall be in addition to any  
6 other tax for such fire protection district and shall be subject to (a)  
7 subsection (10) of section 77-3442 if the fire protection district has  
8 levy authority pursuant to subsection (10) of section 77-3442 or (b)  
9 section 77-3443 if the fire protection district does not have levy  
10 authority pursuant to subsection (10) of section 77-3442.

11 (3) When a fire protection district levies a tax for the purpose of  
12 supporting an emergency medical service, the taxpayers of such district  
13 shall be exempt from any tax levied under section 13-303.

14 (4) The board of a fire protection district which provides fire  
15 protection service outside of the district may charge a political  
16 subdivision with which the district has entered into an agreement for  
17 such service on a per-call basis for such service.

18 Sec. 6. Section 35-517, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 35-517 (1) ~~The By July 1, 1999,~~ the county board shall set the  
21 boundaries of all rural or suburban fire protection districts in the  
22 county so that all areas within the county which are not within the  
23 incorporated areas of cities and villages are included within a rural or  
24 suburban fire protection district.

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

31 (3) Any county may set the boundaries of all rural and suburban fire

1 protection districts which have the greatest portion of their valuation  
2 in such county for which the county is responsible for allocating levy  
3 authority under section 77-3443 so that the highest levy of a rural or  
4 suburban fire protection district is no more than two times the average  
5 levy of all rural and suburban fire protection districts which have the  
6 greatest portion of their valuation in such county for which the county  
7 is responsible for allocating levy authority under section 77-3443 based  
8 on the property tax request or levy and associated valuation for the  
9 current fiscal year. For purposes of this subsection, each county shall  
10 examine the property tax request or levy of each rural or suburban fire  
11 protection district in the county for all purposes except bonded  
12 indebtedness for the current fiscal year and lease-purchase contracts in  
13 existence on July 1, 1998, as compared to the valuation for the tax year  
14 against which the levy was imposed. If one or more fire protection  
15 districts do not meet the standard required by this subsection for the  
16 current year, boundaries may be relocated to place more valuation in the  
17 high levy districts and less in the low levy districts so that the  
18 standard is met. If any district is to be eliminated by the county to  
19 meet the standard, the property tax request or levy for the current  
20 fiscal year will be assumed to be transferred to the other districts  
21 which are to be in the territory of the eliminated district in proportion  
22 to the valuation transferred to such districts for purposes of compliance  
23 with the standard, the district shall be deemed to be dissolved, and the  
24 obligations and assets of the district shall be disposed of as provided  
25 in section 35-521. For purposes of this subsection, the average levy of  
26 all rural and suburban fire protection districts means the total taxes  
27 levied by all rural and suburban fire protection districts in a county  
28 which have the greatest portion of their valuation in such county for  
29 which the county is responsible for allocating levy authority divided by  
30 the total taxable valuation of all such districts.

31 (4) Before May 1 of the year in which any change in boundaries

1 allowed or required under this section is to be effective, the county  
2 board shall forthwith designate a time and place for a hearing before the  
3 county board of such county and shall give due notice thereof in the  
4 manner prescribed by section 35-514. The hearing shall be prior to June  
5 1. At the time and place so fixed the county board shall meet and all  
6 persons interested shall have opportunity to be heard. Thereupon, the  
7 county board shall consider the general rural fire protection policy for  
8 the county as a whole and shall determine the boundaries of the district  
9 or districts, whether as existing prior to such determination or  
10 otherwise, and shall make a written order of such determination which  
11 shall be filed in the office of the county clerk by July 1 of the year in  
12 which any change in boundaries under this section is to be effective. If  
13 all rural and suburban fire protection districts in a county which have  
14 the greatest portion of their valuation in such county for which the  
15 county is responsible for allocating levy authority under section 77-3443  
16 agree to a change in boundaries and submit a proposal to change  
17 boundaries to the county board prior to the hearing, the county shall  
18 adopt the proposal unless it finds that the proposal is not consistent  
19 with the fire protection policy in the county as a whole or does not  
20 result in levies which comply with the standard described in this  
21 section. Thereafter, such reorganized district or districts shall be  
22 deemed to be organized and operating under sections 35-501 to 35-517.  
23 Nothing herein contained shall impair, affect, or discharge any  
24 previously existing contract, obligation, lien, or charge of the district  
25 or districts.

26 Sec. 7. Section 77-3442, Revised Statutes Cumulative Supplement,  
27 2014, is amended to read:

28 77-3442 (1) Property tax levies for the support of local governments  
29 for fiscal years beginning on or after July 1, 1998, shall be limited to  
30 the amounts set forth in this section except as provided in section  
31 77-3444.

1           (2)(a) Except as provided in subdivision (2)(e) of this section,  
2 school districts and multiple-district school systems, except learning  
3 communities and school districts that are members of learning  
4 communities, may levy a maximum levy of one dollar and five cents per one  
5 hundred dollars of taxable valuation of property subject to the levy.

6           (b) For each fiscal year, learning communities may levy a maximum  
7 levy for the general fund budgets of member school districts of ninety-  
8 five cents per one hundred dollars of taxable valuation of property  
9 subject to the levy. The proceeds from the levy pursuant to this  
10 subdivision shall be distributed pursuant to section 79-1073.

11           (c) Except as provided in subdivision (2)(e) of this section, for  
12 each fiscal year, school districts that are members of learning  
13 communities may levy for purposes of such districts' general fund budget  
14 and special building funds a maximum combined levy of the difference of  
15 one dollar and five cents on each one hundred dollars of taxable property  
16 subject to the levy minus the learning community levies pursuant to  
17 subdivisions (2)(b) and (2)(g) of this section for such learning  
18 community.

19           (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)  
20 of this section are amounts levied to pay for sums agreed to be paid by a  
21 school district to certificated employees in exchange for a voluntary  
22 termination of employment and amounts levied to pay for special building  
23 funds and sinking funds established for projects commenced prior to April  
24 1, 1996, for construction, expansion, or alteration of school district  
25 buildings. For purposes of this subsection, commenced means any action  
26 taken by the school board on the record which commits the board to expend  
27 district funds in planning, constructing, or carrying out the project.

28           (e) Federal aid school districts may exceed the maximum levy  
29 prescribed by subdivision (2)(a) or (2)(c) of this section only to the  
30 extent necessary to qualify to receive federal aid pursuant to Title VIII  
31 of Public Law 103-382, as such title existed on September 1, 2001. For

1 purposes of this subdivision, federal aid school district means any  
2 school district which receives ten percent or more of the revenue for its  
3 general fund budget from federal government sources pursuant to Title  
4 VIII of Public Law 103-382, as such title existed on September 1, 2001.

5 (f) For school fiscal year 2002-03 through school fiscal year  
6 2007-08, school districts and multiple-district school systems may, upon  
7 a three-fourths majority vote of the school board of the school district,  
8 the board of the unified system, or the school board of the high school  
9 district of the multiple-district school system that is not a unified  
10 system, exceed the maximum levy prescribed by subdivision (2)(a) of this  
11 section in an amount equal to the net difference between the amount of  
12 state aid that would have been provided under the Tax Equity and  
13 Educational Opportunities Support Act without the temporary aid  
14 adjustment factor as defined in section 79-1003 for the ensuing school  
15 fiscal year for the school district or multiple-district school system  
16 and the amount provided with the temporary aid adjustment factor. The  
17 State Department of Education shall certify to the school districts and  
18 multiple-district school systems the amount by which the maximum levy may  
19 be exceeded for the next school fiscal year pursuant to this subdivision  
20 (f) of this subsection on or before February 15 for school fiscal years  
21 2004-05 through 2007-08.

22 (g) For each fiscal year, learning communities may levy a maximum  
23 levy of two cents on each one hundred dollars of taxable property subject  
24 to the levy for special building funds for member school districts. The  
25 proceeds from the levy pursuant to this subdivision shall be distributed  
26 pursuant to section 79-1073.01.

27 (h) For each fiscal year, learning communities may levy a maximum  
28 levy of one-half cent on each one hundred dollars of taxable property  
29 subject to the levy for elementary learning center facility leases, for  
30 remodeling of leased elementary learning center facilities, and for up to  
31 fifty percent of the estimated cost for focus school or program capital

1 projects approved by the learning community coordinating council pursuant  
2 to section 79-2111.

3 (i) For each fiscal year, learning communities may levy a maximum  
4 levy of one and one-half cents on each one hundred dollars of taxable  
5 property subject to the levy for early childhood education programs for  
6 children in poverty, for elementary learning center employees, for  
7 contracts with other entities or individuals who are not employees of the  
8 learning community for elementary learning center programs and services,  
9 and for pilot projects, except that no more than ten percent of such levy  
10 may be used for elementary learning center employees.

11 (3)(a) For fiscal years 2011-12 and 2012-13, community college areas  
12 may levy a maximum of ten and one-quarter cents per one hundred dollars  
13 of taxable valuation of property subject to the levy for operating  
14 expenditures and may also levy the additional levies provided in  
15 subdivisions (1)(b) and (c) of section 85-1517.

16 (b) For fiscal year 2013-14 and each fiscal year thereafter,  
17 community college areas may levy the levies provided in subdivisions (2)  
18 (a) through (c) of section 85-1517, in accordance with the provisions of  
19 such subdivisions. A community college area may exceed the levy provided  
20 in subdivision (2)(b) of section 85-1517 by the amount necessary to  
21 retire general obligation bonds assumed by the community college area or  
22 issued pursuant to section 85-1515 according to the terms of such bonds  
23 or for any obligation pursuant to section 85-1535 entered into prior to  
24 January 1, 1997.

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

28 (b) Natural resources districts shall also have the power and  
29 authority to levy a tax equal to the dollar amount by which their  
30 restricted funds budgeted to administer and implement ground water  
31 management activities and integrated management activities under the

1 Nebraska Ground Water Management and Protection Act exceed their  
2 restricted funds budgeted to administer and implement ground water  
3 management activities and integrated management activities for FY2003-04,  
4 not to exceed one cent on each one hundred dollars of taxable valuation  
5 annually on all of the taxable property within the district.

6 (c) In addition, natural resources districts located in a river  
7 basin, subbasin, or reach that has been determined to be fully  
8 appropriated pursuant to section 46-714 or designated as overappropriated  
9 pursuant to section 46-713 by the Department of Natural Resources shall  
10 also have the power and authority to levy a tax equal to the dollar  
11 amount by which their restricted funds budgeted to administer and  
12 implement ground water management activities and integrated management  
13 activities under the Nebraska Ground Water Management and Protection Act  
14 exceed their restricted funds budgeted to administer and implement ground  
15 water management activities and integrated management activities for  
16 FY2005-06, not to exceed three cents on each one hundred dollars of  
17 taxable valuation on all of the taxable property within the district for  
18 fiscal year 2006-07 and each fiscal year thereafter through fiscal year  
19 2017-18.

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

24 (6)(a) Incorporated cities and villages which are not within the  
25 boundaries of a municipal county may levy a maximum levy of forty-five  
26 cents per one hundred dollars of taxable valuation of property subject to  
27 the levy plus an additional five cents per one hundred dollars of taxable  
28 valuation to provide financing for the municipality's share of revenue  
29 required under an agreement or agreements executed pursuant to the  
30 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum  
31 levy shall include amounts levied to pay for sums to support a library

1 pursuant to section 51-201, museum pursuant to section 51-501, visiting  
2 community nurse, home health nurse, or home health agency pursuant to  
3 section 71-1637, or statue, memorial, or monument pursuant to section  
4 80-202.

5 (b) Incorporated cities and villages which are within the boundaries  
6 of a municipal county may levy a maximum levy of ninety cents per one  
7 hundred dollars of taxable valuation of property subject to the levy. The  
8 maximum levy shall include amounts paid to a municipal county for county  
9 services, amounts levied to pay for sums to support a library pursuant to  
10 section 51-201, a museum pursuant to section 51-501, a visiting community  
11 nurse, home health nurse, or home health agency pursuant to section  
12 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

13 (7) Sanitary and improvement districts which have been in existence  
14 for more than five years may levy a maximum levy of forty cents per one  
15 hundred dollars of taxable valuation of property subject to the levy, and  
16 sanitary and improvement districts which have been in existence for five  
17 years or less shall not have a maximum levy. Unconsolidated sanitary and  
18 improvement districts which have been in existence for more than five  
19 years and are located in a municipal county may levy a maximum of eighty-  
20 five cents per hundred dollars of taxable valuation of property subject  
21 to the levy.

22 (8) Counties may levy or authorize a maximum levy of fifty cents per  
23 one hundred dollars of taxable valuation of property subject to the levy,  
24 except that five cents per one hundred dollars of taxable valuation of  
25 property subject to the levy may only be levied to provide financing for  
26 the county's share of revenue required under an agreement or agreements  
27 executed pursuant to the Interlocal Cooperation Act or the Joint Public  
28 Agency Act. The maximum levy shall include amounts levied to pay for sums  
29 to support a library pursuant to section 51-201 or museum pursuant to  
30 section 51-501. The county may allocate up to fifteen cents of its  
31 authority to other political subdivisions subject to allocation of



1 property tax authority under subsection (1) of section 77-3443 and not  
2 specifically covered in this section to levy taxes as authorized by law  
3 which do not collectively exceed fifteen cents per one hundred dollars of  
4 taxable valuation on any parcel or item of taxable property. The county  
5 may allocate to one or more other political subdivisions subject to  
6 allocation of property tax authority by the county under subsection (1)  
7 of section 77-3443 some or all of the county's five cents per one hundred  
8 dollars of valuation authorized for support of an agreement or agreements  
9 to be levied by the political subdivision for the purpose of supporting  
10 that political subdivision's share of revenue required under an agreement  
11 or agreements executed pursuant to the Interlocal Cooperation Act or the  
12 Joint Public Agency Act. If an allocation by a county would cause another  
13 county to exceed its levy authority under this section, the second county  
14 may exceed the levy authority in order to levy the amount allocated.  
15 Property tax levies for costs of reassumption of the assessment function  
16 pursuant to section 77-1340 or 77-1340.04 are not included in the levy  
17 limits established in this subsection for fiscal years 2010-11 through  
18 2013-14.

19 (9) Municipal counties may levy or authorize a maximum levy of one  
20 dollar per one hundred dollars of taxable valuation of property subject  
21 to the levy. The municipal county may allocate levy authority to any  
22 political subdivision or entity subject to allocation under section  
23 77-3443.

24 (10) Rural and suburban fire protection districts may levy a maximum  
25 levy of ten and one-half cents per one hundred dollars of taxable  
26 valuation of property subject to the levy if (a) such district is located  
27 in a county that had a levy pursuant to subsection (8) of this section in  
28 the previous year of at least forty cents per one hundred dollars of  
29 taxable valuation of property subject to the levy or (b) for any rural or  
30 suburban fire protection district that had a levy request pursuant to  
31 section 77-3443 in the previous year, the county board of the county in

1 which the greatest portion of the valuation of such district is located  
2 did not authorize any levy authority to such district in the previous  
3 year.

4       (~~11~~ 10) Property tax levies (a) for judgments, except judgments or  
5 orders from the Commission of Industrial Relations, obtained against a  
6 political subdivision which require or obligate a political subdivision  
7 to pay such judgment, to the extent such judgment is not paid by  
8 liability insurance coverage of a political subdivision, (b) for  
9 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)  
10 for bonds as defined in section 10-134 approved according to law and  
11 secured by a levy on property except as provided in section 44-4317 for  
12 bonded indebtedness issued by educational service units and school  
13 districts, and (d) for payments by a public airport to retire interest-  
14 free loans from the Department of Aeronautics in lieu of bonded  
15 indebtedness at a lower cost to the public airport are not included in  
16 the levy limits established by this section.

17       (~~12~~ 11) The limitations on tax levies provided in this section are  
18 to include all other general or special levies provided by law.  
19 Notwithstanding other provisions of law, the only exceptions to the  
20 limits in this section are those provided by or authorized by sections  
21 77-3442 to 77-3444.

22       (~~13~~ 12) Tax levies in excess of the limitations in this section  
23 shall be considered unauthorized levies under section 77-1606 unless  
24 approved under section 77-3444.

25       (~~14~~ 13) For purposes of sections 77-3442 to 77-3444, political  
26 subdivision means a political subdivision of this state and a county  
27 agricultural society.

28       (~~15~~ 14) For school districts that file a binding resolution on or  
29 before May 9, 2008, with the county assessors, county clerks, and county  
30 treasurers for all counties in which the school district has territory  
31 pursuant to subsection (7) of section 79-458, if the combined levies,

1 except levies for bonded indebtedness approved by the voters of the  
2 school district and levies for the refinancing of such bonded  
3 indebtedness, are in excess of the greater of (a) one dollar and twenty  
4 cents per one hundred dollars of taxable valuation of property subject to  
5 the levy or (b) the maximum levy authorized by a vote pursuant to section  
6 77-3444, all school district levies, except levies for bonded  
7 indebtedness approved by the voters of the school district and levies for  
8 the refinancing of such bonded indebtedness, shall be considered  
9 unauthorized levies under section 77-1606.

10 Sec. 8. Section 77-3443, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 77-3443 (1) All political subdivisions, other than (a) school  
13 districts, community colleges, natural resources districts, educational  
14 service units, cities, villages, counties, municipal counties, rural and  
15 suburban fire protection districts that have levy authority pursuant to  
16 subsection (10) of section 77-3442, and sanitary and improvement  
17 districts and (b) political subdivisions subject to municipal allocation  
18 under subsection (2) of this section, may levy taxes as authorized by law  
19 which are authorized by the county board of the county or the council of  
20 a municipal county in which the greatest portion of the valuation is  
21 located, which are counted in the county or municipal county levy limit  
22 provided in section 77-3442, and which do not collectively total more  
23 than fifteen cents per one hundred dollars of taxable valuation on any  
24 parcel or item of taxable property for all governments for which  
25 allocations are made by the municipality, county, or municipal county,  
26 except that such limitation shall not apply to property tax levies for  
27 preexisting lease-purchase contracts approved prior to July 1, 1998, for  
28 bonded indebtedness approved according to law and secured by a levy on  
29 property, and for payments by a public airport to retire interest-free  
30 loans from the Department of Aeronautics in lieu of bonded indebtedness  
31 at a lower cost to the public airport. The county board or council shall

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

19 (2) All city airport authorities established under the Cities  
20 Airport Authorities Act, community redevelopment authorities established  
21 under the Community Development Law, transit authorities established  
22 under the Transit Authority Law, and offstreet parking districts  
23 established under the Offstreet Parking District Act may be allocated  
24 property taxes as authorized by law which are authorized by the city,  
25 village, or municipal county and are counted in the city or village levy  
26 limit or municipal county levy limit provided by section 77-3442, except  
27 that such limitation shall not apply to property tax levies for  
28 preexisting lease-purchase contracts approved prior to July 1, 1998, for  
29 bonded indebtedness approved according to law and secured by a levy on  
30 property, and for payments by a public airport to retire interest-free  
31 loans from the Department of Aeronautics in lieu of bonded indebtedness

1 at a lower cost to the public airport. For offstreet parking districts  
2 established under the Offstreet Parking District Act, the tax shall be  
3 counted in the allocation by the city proportionately, by dividing the  
4 total taxable valuation of the taxable property within the district by  
5 the total taxable valuation of the taxable property within the city  
6 multiplied by the levy of the district. The city council of a city which  
7 has created a transit authority pursuant to section 14-1803 or the  
8 council of a municipal county which contains a transit authority shall  
9 allocate no less than three cents per one hundred dollars of taxable  
10 property subject to the levy to the transit authority if requested by  
11 such authority. The city council, village board, or council shall review  
12 and approve or disapprove the levy request of the political subdivisions  
13 subject to this subsection. The city council, village board, or council  
14 may approve all or a portion of the levy request and may approve a levy  
15 request that would allow a levy greater than that permitted by law. The  
16 levy allocated by the municipality or municipal county may be exceeded as  
17 provided in section 77-3444.

18 (3) On or before August 1, all political subdivisions subject to  
19 county, municipal, or municipal county levy authority under this section  
20 shall submit a preliminary request for levy allocation to the county  
21 board, city council, village board, or council that is responsible for  
22 levying such taxes. The preliminary request of the political subdivision  
23 shall be in the form of a resolution adopted by a majority vote of  
24 members present of the political subdivision's governing body. The  
25 failure of a political subdivision to make a preliminary request shall  
26 preclude such political subdivision from using procedures set forth in  
27 section 77-3444 to exceed the final levy allocation as determined in  
28 subsection (4) of this section.

29 (4) Each county board, city council, village board, or council shall  
30 (a) adopt a resolution by a majority vote of members present which  
31 determines a final allocation of levy authority to its political

1 subdivisions and (b) forward a copy of such resolution to the chairperson  
2 of the governing body of each of its political subdivisions. No final  
3 levy allocation shall be changed after September 1 except by agreement  
4 between both the county board, city council, village board, or council  
5 which determined the amount of the final levy allocation and the  
6 governing body of the political subdivision whose final levy allocation  
7 is at issue.

8       Sec. 9. This act becomes operative on July 1, 2016.

9       Sec. 10. Original sections 13-303, 13-2809, 35-508, 35-509,  
10 35-514.02, 35-517, and 77-3443, Reissue Revised Statutes of Nebraska, and  
11 section 77-3442, Revised Statutes Cumulative Supplement, 2014, are  
12 repealed.