

LEGISLATIVE BILL 994

Approved by the Governor April 19, 2002

Introduced by Revenue Committee: Wickersham, 49, Chairperson; Dierks, 40; Hartnett, 45; Janssen, 15; Landis, 46; Raikes, 25; Redfield, 12

AN ACT relating to government; to amend sections 13-609, 19-3315, 37-335, 49-1202, 49-1203, 60-6,322, 77-1710, 77-1734, 77-1822, and 77-1836, Reissue Revised Statutes of Nebraska, and sections 18-2147, 60-106, 77-202, 77-415, 77-1318.01, 77-1340, 77-1345, 77-1348, 77-1380, 77-1702, 77-3618, and 81-118.01, Revised Statutes Supplement, 2000, and sections 60-302, 77-1315, 77-1327, 77-1343, 77-1347, 77-3443, 77-5004, 77-5016, and 79-1016, Revised Statutes Supplement, 2001; to change provisions relating to payments to governmental entities; to authorize electronic funds transfers; to provide for distribution of certain interest and penalties; to change provisions relating to levy authority for offstreet parking districts; to require proof of certain tax payments; to provide and change fees; to change and eliminate provisions relating to mailing requirements, property taxation, exempt property, the Property Tax Administrator, property reporting requirements, assessment, appeals, and valuation for school aid purposes; to change distributions under the County Property Tax Relief Program; to define terms; to harmonize provisions; to repeal the original sections; to outright repeal section 77-1513, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. Section 13-609, Reissue Revised Statutes of Nebraska, is amended to read:

13-609. (1) Any county treasurer, county official, or political subdivision official may accept credit cards, charge cards, or debit cards, whether presented in person or electronically, or electronic funds transfers as a method of cash payment of any tax, levy, excise, duty, custom, toll, interest, penalty, fine, license, fee, or assessment of whatever kind or nature, whether general or special, as provided by section 77-1702.

(2) The total amount of such taxes, levies, excises, duties, customs, tolls, interest, penalties, fines, licenses, fees, or assessments of whatever kind or nature, whether general or special, paid for by credit card, charge card, debit card, or electronic funds transfer shall be collected by the county treasurer, county official, or political subdivision official.

(3) Any political subdivision operating a facility in a proprietary capacity may choose to accept credit cards, charge cards, or debit cards, whether presented in person or electronically, or electronic funds transfers as a means of cash payment and may adjust the price for services to reflect the handling and payment costs.

(4) The county treasurer, county official, or political subdivision official shall obtain, for each transaction, authorization for use of any credit card, charge card, or debit card used pursuant to this section from the financial institution, vending service company, credit card or charge card company, or third-party merchant bank providing such service.

(5) The types of credit cards, charge cards, or debit cards accepted and the payment services provided shall be determined by the State Treasurer and the Director of Administrative Services with the advice of a committee convened by the State Treasurer and the director. The committee shall consist of the State Treasurer, the Tax Commissioner, the director, and representatives from counties, cities, and other political subdivisions as may be appropriate. The committee shall develop recommendations for the contracting of such services. The State Treasurer and the director shall contract with one or more credit card, charge card, or debit card companies or third-party merchant banks for services on behalf of the state and those counties, cities, and political subdivisions that choose to participate in the state contract for such services. The State Treasurer and the director shall consider, for purposes of this section, any negotiated discount, processing, or transaction fee imposed by a credit card, charge card, or debit card company or third-party merchant bank as an administrative expense. Counties, cities, and other political subdivisions that choose not to participate in the state contract may choose types of credit cards, charge cards, and debit cards and may negotiate and contract independently or collectively as a governmental entity with one or more financial institutions, vending service companies,

credit card, charge card, or debit card companies, or third-party merchant banks for the provision of such services. All county officials within each county choosing to accept credit cards, charge cards, and debit cards shall contract for services through the same financial institutions, vending service companies, credit card, charge card, or debit card companies, or third-party merchant banks for the provision of such services. County officials ~~which~~ who accept credit cards, charge cards, and debit cards shall notify the county board of such decision and the discount or administrative fees charged for such service.

(6) A county treasurer, county official, or political subdivision official authorizing acceptance of credit card or charge card payments shall be authorized but not required to impose a surcharge or convenience fee upon the person making a payment by credit card or charge card so as to wholly or partially offset the amount of any discount or administrative fees charged to the political subdivision, but the surcharge or convenience fee shall not exceed the surcharge or convenience fee imposed by the credit card or charge card companies or third-party merchant banks which have contracted under subsection (5) of this section. The surcharge or convenience fee shall be applied only when allowed by the operating rules and regulations of the credit card or charge card involved or when authorized in writing by the credit card or charge card company involved. When a person elects to make a payment to a political subdivision by credit card or charge card and such a surcharge or convenience fee is imposed, the payment of such surcharge or convenience fee shall be deemed voluntary by such person and shall be in no case refundable. If a payment is made electronically by credit card, charge card, debit card, or electronic funds transfer as part of a system for providing or retrieving information electronically, the county treasurer, county official, or political subdivision official shall be authorized but not required to impose an additional surcharge or convenience fee upon the person making a payment.

(7) For purposes of this section, electronic funds transfer means the movement of funds by nonpaper means, usually through a payment system, including, but not limited to, an automated clearinghouse or the Federal Reserve's Fedwire system.

Sec. 2. Section 18-2147, Revised Statutes Supplement, 2000, is amended to read:

18-2147. (1) Any redevelopment plan as originally approved or as later modified pursuant to section 18-2117, may contain a provision that any ad valorem tax levied upon real property in a redevelopment project for the benefit of any public body shall be divided, for a period not to exceed fifteen years after the effective date of such a provision by the governing body, as follows:

(a) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body; ~~and~~

(b) That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies; and

(c) Any interest and penalties due for delinquent taxes shall be paid into the funds of each public body in the same proportion as are all other taxes collected by or for the public body.

(2) The governing body shall not implement any plan containing a provision dividing ad valorem taxes as provided in subsection (1) of this section until such time as the real property in the redevelopment project is within the corporate boundaries of the city.

(3) Notice of the provision dividing ad valorem taxes shall be sent in writing by the authority to the county assessor on or before August 1 of the year of the effective date of the provision.

Sec. 3. Section 19-3315, Reissue Revised Statutes of Nebraska, is amended to read:

19-3315. The mayor and city council may by resolution levy and assess taxes and assessments as follows:

(1) A property tax within any district of not to exceed thirty-five cents on each one hundred dollars of taxable valuation of taxable property within such district subject to section 77-3443 to pay all or any part of the cost to improve, repair, maintain, reconstruct, operate, or acquire any offstreet parking facility and to pay principal and interest on any bonds issued for an offstreet parking facility for such district. Such tax shall be levied and collected at the same time and under the same provisions as the regular general city tax. ~~7 but such levy shall not be subject to or apply against any tax levy or city tax limit applicable to such city or property.~~ The taxes collected from any district shall be used only for the benefit of such district. For purposes of subsection (2) of section 77-3443, the tax shall be counted in the allocation by the city proportionately, by dividing the total taxable valuation of the taxable property within the district by the total taxable valuation of the taxable property within the city multiplied by the levy of the district;

(2) A special assessment against the real property located in such district to the extent of the special benefit thereto for the purpose of paying all or any part of the total costs and expenses of acquisition, including construction, of an offstreet parking facility in such district. The special assessment shall be levied as provided in section 19-3314. In the event that subsequent to the levy of assessments the use of any parcel of land changes so that, had the new use existed at the time of making such levy, the assessment on such parcel would have been higher than the assessment actually made, an additional assessment may be made on such parcel by the mayor and city council taking into consideration the new and changed use of the property. The total amount of assessments levied under this subdivision shall not exceed the total costs and expenses of acquiring a facility defined in section 19-3313. The levy of an additional assessment shall not reduce or affect in any manner the assessments previously levied. Additional assessments shall be levied as provided in section 19-3314, except that published notice may be omitted if notice is personally served on the owner at least twenty days prior to the date of hearing. All assessments levied under this subdivision shall constitute a sinking fund for the payment of principal and interest on bonds issued for such facility as provided by section 19-3317 until such bonds and interest are fully paid; and

(3) A special assessment against the real property located in such district to the extent of special benefit thereto for the purpose of paying all or any part of the costs of maintenance, repair, and reconstruction of such offstreet parking facility in the district. The mayor and city council may levy such assessments under either of the following methods: (a) The mayor and city council may, not more frequently than annually, determine the costs of maintenance, repair, and reconstruction of such facility and such costs shall be assessed to the real property located in such district as provided by section 19-3314. At the hearing on such assessments, objections may be made to the total costs and the proposed allocation of such costs among the parcels of real property in such district; or (b) after notice is given to the owners as provided in section 19-3314, the mayor and city council may establish and may change from time to time the percentage of such costs of maintenance, repair, and reconstruction which each parcel of real property in any district shall pay. Thereafter, the mayor and city council shall annually determine the total amount of such costs for each period since costs were last assessed and shall after a hearing assess such costs to the real property in the district in accordance with the percentages previously established or as established at such hearing. Notice of such hearing shall be given as provided in section 19-3314 and shall state the total cost and percentage to be assessed to each parcel of real property. Unless written objections are filed with the city clerk at least five days before the hearing, all objections to the amount of total costs and the assessment percentages shall be deemed to have been waived and assessments shall be levied as stated in such notice unless the mayor and city council reduce any assessment. At such hearing, the assessment percentage for the assessment of costs in the future may be changed.

Sec. 4. Section 37-335, Reissue Revised Statutes of Nebraska, is amended to read:

37-335. Commencing January 1, 1977, whenever the commission acquires title to private lands for wildlife management purposes, the commission shall annually make payments in lieu of taxes to the county treasurer of the county in which the land is located. Commencing January 1, 1997, the payments shall be the same as the real property taxes which would have been paid on the land if it were owned by a private owner. The value of the land shall be determined by the county assessor pursuant to sections 77-201 and 77-1301 to 77-1371 as if it were being used for the use it had

immediately before acquisition by the commission excluding any improvements on the land either before or after its acquisition. The commission may protest the valuation of such land to the county board of equalization pursuant to section 77-1502 if the commission believes the land is not properly valued. The county board of equalization shall treat such protest in the same manner as any other protest pursuant to sections 77-1502 to 77-1509. The action of the county board of equalization on such protest may be appealed as provided in ~~sections 77-1510 to 77-1513~~ section 77-1510. The county treasurer shall allocate such payments to each taxing unit levying taxes on such property in the county in which the land has tax situs in the same proportion that the levy on the property of such taxing unit bears to the total levy on such real property of all the taxing units in which the property is taxed.

Sec. 5. Section 49-1202, Reissue Revised Statutes of Nebraska, is amended to read:

49-1202. If any ~~such~~ report, claim, tax return, tax valuation, equalization, or exemption protest, or tax form, petition, appeal, or statement, or any payment, referred to in section 49-1201, is sent by United States mail and either registered or certified, a record authenticated by the United States post office of such registration or certification shall be considered competent evidence that the report, claim, tax return, tax valuation, equalization, or exemption protest, or tax form, petition, appeal, or statement, or payment was delivered to the state officer or state agency or officer or agency of the political subdivision to which addressed, and the date of registration or certification shall be deemed the postmarked date.

Sec. 6. Section 49-1203, Reissue Revised Statutes of Nebraska, is amended to read:

49-1203. If the date for filing any ~~such~~ report, claim, tax return, tax valuation, equalization, or exemption protest, or tax form, petition, appeal, or statement, or for making any such payment, referred to in section 49-1201, falls upon a Saturday, Sunday, or legal holiday, such filing or payment shall be considered timely if performed in person or postmarked on the next business day.

Sec. 7. Section 60-106, Revised Statutes Supplement, 2000, is amended to read:

60-106. (1) (a) The Department of Motor Vehicles in conjunction with the Department of Administrative Services and the counties shall develop an implementation plan to provide for adequate planning preceding a mandate for the implementation of the vehicle titling and registration component system of the statewide county automation project. The implementation plan shall include installation costs, training, and any other costs associated with the project.

(b) The Department of Motor Vehicles shall submit the implementation plan on or before December 1, 1993, to the Governor and the Clerk of the Legislature. Each member of the Legislature shall receive a copy of such report by making a request for it to the Director of Motor Vehicles or the Director of Administrative Services.

(c) Each county shall issue and file certificates of title using the vehicle titling and registration computer system prescribed by the Department of Motor Vehicles by January 1, 1996.

(2) (a) Application for a certificate of title shall be made upon a form prescribed by the Department of Motor Vehicles. All applications shall be accompanied by the fee prescribed in section 60-115.

(b) All applications for a certificate of title to a mobile home as defined in subdivision (2) of section 60-614 shall be accompanied by a mobile home transfer statement prescribed by the Property Tax Administrator. The mobile home transfer statement shall be filed by the applicant with the county clerk of the county of application for title. The county clerk shall issue a certificate of title to a mobile home but shall not deliver the certificate of title unless the mobile home transfer statement accompanies the application for title, except that the failure to provide the mobile home transfer statement shall not prevent the notation of a lien on the face of the certificate of title to the mobile home pursuant to section 60-110 and delivery to the holder of the first lien. The county clerk shall retain the original copy of the mobile home transfer statement, forward two copies to the county assessor, and provide a copy to the applicant.

(3) (a) If the motor vehicle has situs in Nebraska, the application shall be filed with the county clerk of the county in which the vehicle has situs as defined in section 60-3001.

(b) If the applicant is a nonresident, the application shall be filed in the county in which the transaction is consummated.

(c) All applicants registering a vehicle pursuant to section 60-305.09 shall file the application for title to the vehicle with the

Division of Motor Carrier Services of the Department of Motor Vehicles. The division shall deliver the certificate to the applicant if there are no liens on the vehicle. If there are any liens on the vehicle, the division shall deliver or mail the certificate of title to the holder of the first lien on the day of issuance. All certificates of title issued by the division shall be issued in the manner prescribed for the county clerk in section 60-107.

(4) If a certificate of title has previously been issued for the motor vehicle in this state, the application for a new certificate of title shall be accompanied by the certificate of title duly assigned unless otherwise provided for in sections 60-102 to 60-117. If a certificate of title has not previously been issued for the motor vehicle in this state or if a certificate of title is unavailable pursuant to subsection (4) of section 52-1801, the application, unless otherwise provided for in sections 60-102 to 60-117, shall be accompanied by a manufacturer's or importer's certificate, as provided for in such sections, a duly certified copy thereof, a certificate of title, a court order issued by a court of record, a manufacturer's certificate of origin, or an assigned registration certificate, if the law of the state from which the motor vehicle was brought into this state does not have a certificate of title law. For purposes of this subsection, certificate of title shall include a salvage certificate, a salvage certificate of title, or any other document of ownership issued by another state or jurisdiction for a salvage vehicle. Only a salvage certificate of title shall be issued to any vehicle conveyed upon a salvage certificate, a salvage certificate of title, or any other document of ownership issued by another state or jurisdiction for a salvage vehicle. If a certificate of title has not previously been issued for the vehicle in this state and the applicant is unable to provide such documentation, the applicant may apply for a bonded certificate of title as prescribed in section 60-111.01. The county clerk shall retain the evidence of title presented by the applicant and on which the certificate of title is issued.

(5) The county clerk shall use reasonable diligence in ascertaining whether or not the statements in the application for a certificate of title are true by checking the application and documents accompanying the same with the records of motor vehicles in his or her office. If he or she is satisfied that the applicant is the owner of such motor vehicle and that the application is in the proper form, the county clerk shall issue a certificate of title over his or her signature and sealed with his or her seal.

(6) In the case of the sale of a motor vehicle, the certificate of title shall be obtained in the name of the purchaser upon application signed by the purchaser, except that (a) for titles to be held by husband and wife, applications may be accepted upon the signature of either one as a signature for himself or herself and as agent for his or her spouse and (b) for an applicant providing proof that he or she is a handicapped or disabled person as defined in section 18-1738, applications may be accepted upon the signature of the applicant's parent, legal guardian, foster parent, or agent.

(7) In all cases of transfers of motor vehicles, commercial trailers, semitrailers, or cabin trailers, the application for a certificate of title shall be filed within thirty days after the delivery of such vehicle or trailer. A licensed dealer need not apply for certificates of title for motor vehicles, commercial trailers, semitrailers, or cabin trailers in stock or acquired for stock purposes, but upon transfer of such vehicle or trailer in stock or acquired for stock purposes, the licensed dealer shall give the transferee a reassignment of the certificate of title on such vehicle or trailer or an assignment of a manufacturer's or importer's certificate. If all reassignments on the certificate of title have been used, the licensed dealer shall obtain title in his or her name prior to any subsequent transfer.

(8) An application for a certificate of title shall include a statement that an identification inspection has been conducted on the vehicle unless (a) the title sought is a salvage certificate of title as defined in section 60-129 or a nontransferable certificate of title provided for in section 60-131, (b) the surrendered ownership document is a Nebraska certificate of title, a manufacturer's statement of origin, an importer's statement of origin, a United States Government Certificate of Release of a motor vehicle, or a nontransferable certificate of title issued under section 60-131, (c) the application for a certificate of title contains a statement that such vehicle is to be registered under section 60-305.09, (d) the vehicle is a cabin trailer, (e) the title sought is the first title for a motor vehicle sold directly by the manufacturer of the motor vehicle to a licensed dealer franchised by the manufacturer, or (f) the vehicle was sold at an auction authorized by the manufacturer and purchased by a licensed dealer franchised by the manufacturer of the motor vehicle. The Department of Motor Vehicles shall prescribe a form to be executed by a dealer and submitted with

an application for a certificate of title for vehicles exempt from inspection pursuant to subdivision (8)(e) or (f) of this section, which form shall clearly identify the vehicle and state under penalty of law that the vehicle is exempt from inspection. The statement that an identification inspection has been conducted shall be furnished by the county sheriff of any county or by any other holder of a current certificate of training issued pursuant to section 60-121 and shall be in a format as determined by the department. The county clerk shall accept a certificate of inspection, approved by the Superintendent of Law Enforcement and Public Safety, from an officer of a state police agency of another state. For each inspection a fee of ten dollars shall be paid to the county treasurer. All such fees shall be credited to the county sheriff's vehicle inspection account within the county general fund. The identification inspection required by this subsection shall include examination and notation of the current odometer reading and a comparison of the vehicle identification number with the number listed on the ownership records, except that if a lien is registered against a vehicle and recorded on the vehicle's ownership records, the county clerk shall provide a copy of the ownership records for use in making such comparison. If such numbers are not identical, if there is reason to believe further inspection is necessary, or if the inspection is for a Nebraska assigned number, the person performing the inspection shall make a further inspection of the vehicle which may include, but shall not be limited to, examination of other identifying numbers placed on the vehicle by the manufacturer and an inquiry into the numbering system used by the state issuing such ownership records to determine ownership of a vehicle. The identification inspection shall also include a statement that the vehicle identification number has been checked for entry in the National Crime Information Center and the Nebraska Crime Information Service. If there is cause to believe that odometer fraud exists, written notification shall be given to the office of the Attorney General. If after such inspection the sheriff or his or her designee determines that the vehicle is not the vehicle described by the ownership records, no statement shall be issued. In the case of an assembled vehicle such inspection shall include, but not be limited to, an examination of the records showing the date of receipt and source of each major component part as defined in section 60-2601.

(9) An application for a certificate of title for a mobile home or cabin trailer shall be accompanied by a certificate that states that sales or use tax has been paid on the purchase of the mobile home or cabin trailer or that the transfer of title was exempt from sales and use taxes. The county clerk shall issue a certificate of title for a mobile home or cabin trailer but shall not deliver the certificate of title unless the certificate required under this subsection accompanies the application for certificate of title for the mobile home or cabin trailer, except that the failure of the application to be accompanied by such certificate shall not prevent the notation of a lien on the face of the certificate of title to the mobile home or cabin trailer pursuant to section 60-110 and delivery to the holder of the first lien.

(10) If a county board consolidates services under the office of a designated county official other than the county clerk pursuant to section 23-186:

(a) Applications under subsections (2), ~~and~~ (3), and (9) of this section shall be submitted to the designated county official;

(b) The designated county official shall perform the duties imposed on the county clerk under subsections (2), ~~and~~ (5), and (9) of this section;

(c) The designated county official may accept certificates of inspection under the conditions described in subsection (8) of this section; and

(d) The designated county official shall act as office of record for title documents, applications, odometer statements, certificates of inspections, and lien and cancellation of lien notations.

Sec. 8. Section 60-302, Revised Statutes Supplement, 2001, is amended to read:

60-302. (1) No motor vehicle, trailer, semitrailer, or cabin trailer, unless otherwise expressly provided, shall be operated or parked on the highways of this state unless the vehicle is registered in accordance with Chapter 60, article 3. There shall be a rebuttable presumption that any vehicle stored and kept more than thirty days in the state is being operated or parked on the highways of this state and shall be registered in accordance with Chapter 60, article 3, from the date of title of the motor vehicle or, if no transfer in ownership of the motor vehicle has occurred, from the expiration of the last registration period for which the motor vehicle was registered. Every owner of a vehicle required to be registered shall make application for registration to the county treasurer of the county in which the vehicle has situs as defined in section 60-3001. The application shall be

a copy of a certificate of title or, in the case of a renewal of a registration, the application shall be the previous registration period's certificate. A salvage certificate of title as defined in section 60-129 and a nontransferable certificate of title provided for in section 60-131 shall not be valid for registration purposes.

(2) An application for registration of a motor vehicle shall be accompanied by proof of financial responsibility or evidence of insurance covering the motor vehicle. Proof of financial responsibility shall be evidenced by a copy of proof of financial responsibility filed pursuant to subdivision (2), (3), or (4) of section 60-528 bearing the seal of the Department of Motor Vehicles. Evidence of insurance shall give the effective dates of the automobile liability policy, which dates shall be evidence that the coverage is in effect on and following the date of registration, and shall designate, by explicit description or by appropriate reference, all motor vehicles covered. Evidence of insurance in the form of a certificate of insurance for fleet vehicles may include, as an appropriate reference, a designation that the insurance coverage is applicable to all vehicles owned by the named insured, or wording of similar effect, in lieu of an explicit description.

(3) Any nonresident owner who desires to register a vehicle or vehicles in this state shall register in the county where the vehicle is domiciled or where the owner conducts a bona fide business.

(4) Each new application shall contain, in addition to other information as may be required by the department, the name and post office address of the applicant and a description of the vehicle, including the color, the manufacturer, the identification number, and the weight of the vehicle required by Chapter 60, article 3. With the application the applicant shall pay the proper registration fee as provided in sections 60-305.08 to 60-339 and shall state whether the vehicle is propelled by alternative fuel as defined in section 66-686 and, if alternative fuel, the type of fuel. The form shall also contain a notice that bulk fuel purchasers may be subject to federal excise tax liability. The department shall prescribe a form, containing the notice, for supplying the information for vehicles to be registered. The county treasurer shall include the form in each mailing made pursuant to section 60-3003. The county treasurer or his or her agent shall notify the Motor Fuel Tax Enforcement and Collection Division of the Department of Revenue whenever a vehicle powered by an alternative fuel as defined in section 66-686 is registered. The notification shall include the name and address of the registrant, the date of registration, the type of motor vehicle registered, and the type of alternative fuel used to propel the vehicle as indicated on the registration application.

(5) The county treasurer or his or her agent shall collect, in addition to the registration fees, one dollar and fifty cents for each certificate issued and shall remit one dollar and fifty cents of each additional fee collected to the State Treasurer for credit to the Department of Motor Vehicles Cash Fund.

(6) The county treasurer or his or her agent shall collect, in addition to other registration fees, fifty cents for each certificate issued and shall remit the fee to the State Treasurer for credit to the Nebraska Emergency Medical System Operations Fund.

(7) The county treasurer or his or her agent shall collect, in addition to other registration fees, one dollar and fifty cents for each certificate issued and shall remit the fee to the State Treasurer for credit to the State Recreation Road Fund.

(8) If a citation is issued to an owner or operator of a vehicle for a violation of this section and the owner properly registers and licenses the vehicle not in compliance and pays all taxes and fees due and the owner or operator provides proof of such registration to the prosecuting attorney within ten days after the issuance of the citation, no prosecution for the offense cited shall occur.

(9) If a county board consolidates services under the office of a designated county official other than the county treasurer pursuant to section 23-186, the powers and duties of the county treasurer relating to registration under sections 60-301 to 60-347 shall be performed by the designated county official.

(10) A county treasurer or county official or his or her agent may accept credit cards, charge cards, ~~or~~ debit cards, or electronic funds transfers as a means of payment for registration pursuant to section 13-609.

Sec. 9. Section 60-6,322, Reissue Revised Statutes of Nebraska, is amended to read:

60-6,322. (1) Application for registration shall be made to the county treasurer in such form as the Director of Motor Vehicles prescribes and

shall state the name and address of the applicant, state a description of the snowmobile, including color, manufacturer, and identification number, and be signed by at least one owner. Application forms shall be made available through the county treasurer's office of each county in this state. Upon receipt of the application and the appropriate fee as provided in section 60-6,323, the snowmobile shall be registered by the county treasurer and a numbered decal shall be provided which shall be affixed to the upper half of the snowmobile in such manner as the director prescribes. Snowmobiles owned by a dealer and operated for demonstration or testing purposes shall be exempt from affixing numbered decals to the snowmobile but are required to carry a valid numbered decal with the snowmobile at all times.

(2) If a county board consolidates services under the office of a designated county official other than the county treasurer pursuant to section 23-186, application shall be made to and forms shall be made available through the office of the designated county official and the designated county official shall register snowmobiles and issue the numbered decal as provided in this section.

(3) A county treasurer or county official or his or her agent may accept credit cards, charge cards, ~~or~~ debit cards, or electronic funds transfers as a means of payment for registration pursuant to section 13-609.

Sec. 10. Section 77-202, Revised Statutes Supplement, 2000, is amended to read:

77-202. (1) The following property shall be exempt from property taxes:

(a) Property of the state and its governmental subdivisions to the extent used or being developed for use by the state or governmental subdivision for a public purpose. For purposes of this subdivision, public purpose means use of the property (i) to provide public services with or without cost to the recipient, including the general operation of government, public education, public safety, transportation, public works, civil and criminal justice, public health and welfare, developments by a public housing authority, parks, culture, recreation, community development, and cemetery purposes, or (ii) to carry out the duties and responsibilities conferred by law with or without consideration. Public purpose does not include leasing of property to a private party unless the lease of the property is at fair market value for a public purpose. Leases of property by a public housing authority to low-income individuals as a place of residence are for the authority's public purpose;

(b) Unleased property of the state or its governmental subdivisions which is not being used or developed for use for a public purpose but upon which a payment in lieu of taxes is paid for public safety, rescue, and emergency services and road or street construction or maintenance services to all governmental units providing such services to the property. Except as provided in Article VIII, section 11, of the Constitution of Nebraska, the payment in lieu of taxes shall be based on the proportionate share of the cost of providing public safety, rescue, or emergency services and road or street construction or maintenance services unless a general policy is adopted by the governing body of the governmental subdivision providing such services which provides for a different method of determining the amount of the payment in lieu of taxes. The governing body may adopt a general policy by ordinance or resolution for determining the amount of payment in lieu of taxes by majority vote after a hearing on the ordinance or resolution. Such ordinance or resolution shall nevertheless result in an equitable contribution for the cost of providing such services to the exempt property;

(c) Property owned by and used exclusively for agricultural and horticultural societies;

(d) Property owned by educational, religious, charitable, or cemetery organizations, or any organization for the exclusive benefit of any such educational, religious, charitable, or cemetery organization, and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not (i) owned or used for financial gain or profit to either the owner or user, (ii) used for the sale of alcoholic liquors for more than twenty hours per week, or (iii) owned or used by an organization which discriminates in membership or employment based on race, color, or national origin. For purposes of this subdivision, educational organization means (A) an institution operated exclusively for the purpose of offering regular courses with systematic instruction in academic, vocational, or technical subjects or assisting students through services relating to the origination, processing, or guarantying of federally reinsured student loans for higher education or (B) a museum or historical society operated exclusively for the benefit and education of the public. For purposes of this subdivision, charitable organization means an organization operated exclusively for the

purpose of the mental, social, or physical benefit of the public or an indefinite number of persons; and

(e) Household goods and personal effects not owned or used for financial gain or profit to either the owner or user.

(2) The increased value of land by reason of shade and ornamental trees planted along the highway shall not be taken into account in the valuation of land.

(3) Tangible personal property which is not depreciable tangible personal property as defined in section 77-119 shall be exempt from property tax.

(4) Motor vehicles required to be registered for operation on the highways of this state shall be exempt from payment of property taxes.

(5) Business and agricultural inventory shall be exempt from the personal property tax. For purposes of this subsection, business inventory includes personal property owned for purposes of leasing or renting such property to others for financial gain only if the personal property is of a type which in the ordinary course of business is leased or rented thirty days or less and may be returned at the option of the lessee or renter at any time and the personal property is of a type which would be considered household goods or personal effects if owned by an individual. All other personal property owned for purposes of leasing or renting such property to others for financial gain shall not be considered business inventory.

(6) Any personal property exempt pursuant to subsection (2) of section 77-4105 shall be exempt from the personal property tax.

(7) Livestock shall be exempt from the personal property tax.

Sec. 11. Section 77-415, Revised Statutes Supplement, 2000, is amended to read:

77-415. The Property Tax Administrator shall, between January 15 and March 15, prepare and administer an annual course of training which shall be attended by all county assessors and may be attended by members of the county board of equalization from each county in the state. Such course shall be designed to impart a thorough knowledge of the methods for the valuation of real and tangible personal property and to develop the essential administrative skills for the proper discharge of the duties of such offices. The county assessor may designate an employee of his or her office to attend the course on his or her behalf. The county assessor may, in writing, request permission not to attend or send an employee to attend the course. The request shall be addressed to the Property Tax Administrator thirty days prior to the date of the course and specify the reasons why the official or an employee cannot attend. The Property Tax Administrator may waive the thirty-day requirement for good cause shown. The Property Tax Administrator shall, in writing, grant or deny the request within ten days after receipt.

Sec. 12. Section 77-1315, Revised Statutes Supplement, 2001, is amended to read:

77-1315. (1) The county assessor shall, after March 20 and on or before June 1, implement adjustments to the real property assessment roll for actions of the agricultural and horticultural land valuation board and the Tax Equalization and Review Commission.

(2) On or before June 1, the county assessor shall notify the ~~record~~ owner of record as of May 20 of every item of real property which has been assessed at a value different than in the previous year. Such notice shall be given by first-class mail addressed to such owner's last-known address. It shall identify the item of real property and state the old and new valuation, the date of convening of the county board of equalization, the dates for filing a protest, and the average level of value of all classes and subclasses of real property in the county as determined by the Tax Equalization and Review Commission.

(3) Immediately upon completion of the assessment roll, the county assessor shall cause to be published in a newspaper of general circulation in the county a certification that the assessment roll is complete and notices of valuation changes have been mailed and provide the final date for filing valuation protests with the county board of equalization.

(4) The county assessor shall annually, on or before June 6, post in his or her office and, as designated by the county board, mail to a newspaper of general circulation and to licensed broadcast media in the county the assessment ratios as found in his or her county as determined by the Tax Equalization and Review Commission and any other statistical measures, including, but not limited to, the assessment-to-sales ratio, the coefficient of dispersion, and the price-related differential.

Sec. 13. Section 77-1318.01, Revised Statutes Supplement, 2000, is amended to read:

77-1318.01. (1) In order that improvements to real property are

properly assessed for property tax purposes, no building amounting to a value of ~~one~~ two thousand five hundred dollars or more shall hereafter be erected, or structurally altered or repaired, and no electrical, heating, plumbing, or other installation or connection, or other improvement to real property, amounting to a value of ~~one~~ two thousand five hundred dollars or more, shall hereafter be made until an information statement has been filed with the county assessor in the county in which the improvement is to be made. Common carriers and public utilities regulated either by the State of Nebraska or the federal government, or owned, operated, or leased by a political subdivision thereof, shall not be required to file an information statement for the structural alteration, or repair of a building, or for the electrical, heating, plumbing, or other installation or connection, or other improvement to real property owned by it or pursuant to a contract or a service agreement. Any building permit required and issued by a county or municipal officer shall fulfill the requirements of this section if it contains the information required by this section and if a copy is provided to the county assessor by the officer.

(2) If the county or municipality does not require a permit under its zoning laws, the information statement shall be filed with the county assessor. The form for the information statement shall be provided by the county assessor and shall be filed on or before December 31 of the year of construction, repair, alteration, or improvement.

(3) The information statement shall show the following: ~~(1)~~ (a) Name and address of the owner of the property; ~~(2)~~ (b) name and address of the applicant, if different than owner; ~~(3)~~ (c) name of prime contractor for the project, if there is one; ~~(4)~~ (d) location of the property, size, nature, intended use, and approximate material cost of the improvement; and ~~(5)~~ (e) the estimated period of construction.

Sec. 14. Section 77-1327, Revised Statutes Supplement, 2001, is amended to read:

77-1327. (1) It is the intent of the Legislature that accurate and comprehensive information be developed by the Property Tax Administrator and made accessible to the taxing officials and property owners in order to ensure the uniformity and proportionality of the assessments of real property valuations in the state in accordance with law and to provide the statistical and narrative reports pursuant to section 77-5027.

(2) All transactions of real property for which the statement required in section 76-214 is filed shall be available for development of a sales file by the Property Tax Administrator. All transactions with stated consideration of more than one hundred dollars or upon which more than one dollar and seventy-five cents in documentary stamp taxes are paid shall be considered sales. All sales shall be deemed to be arm's length transactions unless determined to be otherwise under professionally accepted mass appraisal techniques. The Department of Property Assessment and Taxation shall not overturn a determination made by a county assessor regarding the qualification of a sale unless the department reviews the sale and determines through the review that the determination made by the county assessor is incorrect.

(3) The Property Tax Administrator annually shall make and issue comprehensive assessment ratio studies of the average level of assessment, the degree of assessment uniformity, and the overall compliance with assessment requirements for each major class of real property subject to the property tax in each county. The comprehensive assessment ratio studies shall be developed in compliance with professionally accepted mass appraisal techniques and shall employ such statistical analysis as deemed appropriate by the Property Tax Administrator, including measures of central tendency and dispersion. The comprehensive assessment ratio studies shall be based upon the sales file as developed in subsection (2) of this section and shall be used by the Property Tax Administrator for the analysis of the level of value and quality of assessment for purposes of section 77-5027 and by the Property Tax Administrator in establishing the adjusted valuations required by section 79-1016. Such studies may also be used by assessing officials in establishing assessed valuations.

(4) For purposes of determining the level of value of agricultural and horticultural land subject to special valuation under sections 77-1343 to 77-1348, the Property Tax Administrator shall annually make and issue a comprehensive study developed in compliance with professionally accepted mass appraisal techniques to establish the level of value if in his or her opinion the level of value cannot be developed through the use of the comprehensive assessment ratio studies developed in subsection (3) of this section.

(5) The Property Tax Administrator may require assessors and other taxing officials to report data on the assessed valuation and other features of the property assessment for such periods and in such form and content as

the Property Tax Administrator shall deem appropriate. The Property Tax Administrator shall so construct and maintain the system used to collect and analyze the data to enable him or her to make intracounty comparisons of assessed valuation, including school districts, as well as intercounty comparisons of assessed valuation, including school districts. The Property Tax Administrator shall include analysis of real property sales pursuant to land contracts and similar transfers at the time of execution of the contract or similar transfer.

Sec. 15. Section 77-1340, Revised Statutes Supplement, 2000, is amended to read:

77-1340. (1) The county board of a county may, by resolution, request the Property Tax Administrator to assume the county assessment function and to perform the same in and for the county. Such a resolution must be adopted on or before October 31 and shall state an effective date for the assumption of the assessment function of a year evenly divisible by four. The effective date shall be no sooner than the beginning of the fiscal year which begins July 1 of the second year immediately following the passage adoption of the resolution by the county board. The Property Tax Administrator shall decide whether to recommend assumption by December 15 following the adoption of the resolution by the county board.

(2) If the Property Tax Administrator finds that direct state performance of the function ~~is~~ will be either (a) necessary or desirable for the economic and efficient performance thereof, ~~he or she may undertake such performance pursuant to the request.~~ or (b) necessary or desirable for improving the quality of assessment in the state, he or she may recommend assumption of the county assessment function. The Property Tax Administrator shall deliver such recommendation to the Governor and the Legislature.

(3) The Property Tax Administrator may recommend assuming the county assessment function or reject assuming such function. If the Property Tax Administrator rejects the request, the county assessment function shall not be transferred and the county may make another request.

(4) Upon a recommendation by the Property Tax Administrator that the assumption of the county assessment function should be undertaken according to the criteria in subsection (2) of this section, the Property Tax Administrator shall request from the Legislature a sufficient appropriation in the next regular session of the Legislature to undertake the county assessment function and perform the function thoroughly and efficiently. If the appropriation is not made, the Property Tax Administrator shall notify the county on or before July 1 that the county assessment function will not be undertaken. If a sufficient appropriation is made, the Property Tax Administrator shall notify the county on or before July 1 that the county assessment function will be undertaken beginning the next following July 1.

(5) If the Property Tax Administrator recommends assumption of the county assessment function and the Legislature makes an appropriation which the Property Tax Administrator determines is sufficient to undertake the assumption, then commencing on the second July 1 after the adoption of the resolution by the county board, (a) ~~Unless otherwise authorized by law,~~ the Property Tax Administrator shall undertake and perform the county assessment function and all other duties and functions of the county assessor's office, including appraisal and reappraisal, (b) the office and functions of the county assessor shall be suspended, and (c) the performance of the county assessment function ~~thereof~~ by the Property Tax Administrator shall be deemed performance by the county assessor. Upon the assumption of the county assessment function by the Property Tax Administrator, the term of office of the incumbent county assessor shall terminate and the county need no longer elect a county assessor pursuant to section 32-519. At that time, the county assessor and the employees of the county assessor's office shall become state employees. No transferred county assessor or employee shall incur a loss of income or benefits as a result of becoming a state employee pursuant to this section.

Sec. 16. Section 77-1343, Revised Statutes Supplement, 2001, is amended to read:

77-1343. The purpose of sections 77-1343 to 77-1348 is to provide a special valuation for qualified agricultural or horticultural land so that the current assessed valuation of the land for property tax purposes is the value that the land would have without regard to the value the land would have for other purposes or uses. For purposes of sections 77-1343 to 77-1348:

(1) Agricultural or horticultural land ~~shall mean~~ means that land as defined in section 77-1359;

(2) Agricultural or horticultural use ~~shall mean~~ means the use of land as defined in section 77-1359, so that incidental use of the land for nonagricultural or nonhorticultural purposes shall not disqualify the land;

(3) Lessee means a person leasing agricultural or horticultural land from a state or governmental subdivision which is an owner that is subject to taxation under section 77-202.11;

(4) Owner ~~shall mean~~ means an owner of agricultural or horticultural land who holds an estate in fee simple or for life, any one of tenants in common or joint tenants who hold an estate in fee simple or for life, or the purchaser of agricultural or horticultural land under a contract for sale;

(5) ~~(4)~~ Recapture valuation ~~shall mean~~ means eighty percent of the actual value of the land pursuant to section 77-112;

(6) ~~(5)~~ Special valuation ~~shall mean~~ means eighty percent of the value that the land would have for agricultural or horticultural purposes or uses without regard to the actual value the land would have for other purposes or uses; and

~~(6)~~ (7) Taxpayer means the owner or lessee that is responsible for paying the property taxes levied on an item of real property; and

(8) Zoned for agricultural or horticultural use ~~shall mean~~ means designation of any land predominantly for agricultural or horticultural use by any political subdivision pursuant to sections 19-924 to 19-933, Chapter 14, article 4, Chapter 15, article 9, Chapter 16, article 9, Chapter 17, article 10, or Chapter 23, article 1. The primary objective of the agricultural or horticultural use zoning shall be to preserve and protect agricultural activities and the potential for the agricultural, horticultural, or open use of land. Uses to be allowed on such lands ~~shall~~ include primarily agricultural-related or horticultural-related uses, and nonagricultural or nonhorticultural industrial, commercial, or residential uses allowed on such lands shall be restricted so that they do not conflict with or detract from this objective.

Sec. 17. Section 77-1345, Revised Statutes Supplement, 2000, is amended to read:

77-1345. (1) Any ~~owner of lands eligible for taxpayer seeking~~ special valuation under section 77-1344 shall, ~~to secure such valuation,~~ make application to the county assessor on or before June 30 of the first year in which such valuation is requested.

(2)(a) The application shall be made upon forms prescribed by the Property Tax Administrator and available from the county assessor and shall include such information as may reasonably be required to determine the eligibility of the applicant and the land.

(b) The application shall be signed by any one of the following:

(i) The ~~owner~~ taxpayer;

(ii) Any person of legal age duly authorized in writing to sign an application on behalf of the ~~owner~~ taxpayer; or

(iii) The guardian or conservator of ~~an owner~~ a taxpayer or the executor or administrator of ~~an owner's~~ a taxpayer's estate.

(c) The assessor shall not approve an application signed by a person whose authority to sign is not a matter of public record unless there is filed with the assessor a true copy of the deed, contract of sale, power of attorney, lease, or other appropriate instrument evidencing the signer's interest or authority.

Sec. 18. Section 77-1347, Revised Statutes Supplement, 2001, is amended to read:

77-1347. Upon approval of an application, the county assessor shall value the land as provided in section 77-1344 until the land becomes disqualified for such valuation by:

(1) Written notification by the ~~owner~~ taxpayer to the assessor to remove such special valuation;

(2) Sale or transfer to an ownership making it exempt from property taxation;

(3) Sale or transfer to the state or its political subdivisions;

(4) A change in zoning so that the land is no longer zoned predominantly for agricultural or horticultural use;

(5) ~~(4)~~ Except as provided in subsection (2) of section 77-1344, inclusion of the land within the corporate boundaries of any sanitary and improvement district, city, or village; or

(6) ~~(5)~~ The land is no longer used for agricultural or horticultural purposes.

Sec. 19. Section 77-1348, Revised Statutes Supplement, 2000, is amended to read:

77-1348. (1) Whenever land which has received special valuation becomes disqualified for such special valuation, the assessor shall notify the ~~owner~~ taxpayer and there shall be added to the tax extended against the land on the respective property tax roll or rolls, to be collected and distributed in the same manner as other taxes levied upon real property, an amount equal

to the sum of the following:

(a) If the land was disqualified for special valuation before the levy date of the year of disqualification, the total amount by which the taxes assessed against the land would have been increased if it had been valued at its recapture value during the last three or lesser number of years in which such special valuation was in effect for the land, and, if the land was disqualified on or after the levy date of the year of disqualification, the total amount by which the taxes assessed against the land would have increased if it had been valued at its recapture value during the last four or lesser number of years in which special valuation was in effect for the land; and

(b) Interest upon the amounts of additional tax from each year included in subdivision (1)(a) of this section at the rate of six percent from the dates at which such additional taxes would have been payable if no special valuation had been in effect through sixty days after the notice sent pursuant to subsection (1) of this section. Upon expiration of the sixty days, the additional taxes and interest shall be delinquent and interest shall accrue at the rate provided in section 45-104.01 until paid.

(2) In cases when the designation of special valuation is removed as a result of a sale or transfer described in subdivision (2) or (3) of section 77-1347 other than an acquisition described in subsection (3) of this section, the lien for such increased taxes and interest shall attach as of the day preceding such sale or transfer.

(3) The provisions of subsection (1) of this section do not apply if the land was acquired by eminent domain or if the land was sold to a public entity which would have had the authority to acquire the land by eminent domain is owned by a public entity and is disqualified from special valuation because it is being used or is being developed for use in a public purpose or is exchanged for other property to be used or developed for use in a public purpose.

Sec. 20. Section 77-1380, Revised Statutes Supplement, 2000, is amended to read:

77-1380. (1) For each land manual area there is created an agricultural and horticultural land valuation board. Each county in a land manual area shall appoint one person to serve on the board. The appointment shall be made by the county board for a term of four years commencing on the second Tuesday after the first Thursday in January. Vacancies occurring during a term shall be filled by appointment by the county board of the county from which the vacancy occurred for the unexpired term. Upon expiration of a term of office, a member shall continue to serve until his or her successor has been appointed. Members shall serve without compensation but shall be entitled to the actual and necessary expenses incurred in the performance of their duties. Reimbursement for mileage shall be as provided in section 23-1112.

(2) After reasonable notice and hearing, members of an agricultural and horticultural land valuation board may be removed by the Tax Equalization and Review Commission for inefficiency, neglect of duty, misconduct, or incapacity to carry out the duties of a board member.

(3) On the first Monday During the first ten days of February each year, each board shall meet and elect a chairperson, vice-chairperson, and secretary from its members. A majority of the members of a board shall constitute a quorum for the transaction of business. All actions of a board shall require the assenting vote of a majority of the members except adjournment. A board shall keep records of its proceedings and any proceedings in court arising out of or founded upon any board action pursuant to section 77-1381. On or before February 15 each year, each chairperson shall issue a written order to all county assessors within the land manual area to report data on the assessed valuations of agricultural and horticultural land, level of value, and any other information deemed appropriate for the board to perform its duties. No order from the chairperson shall require the county assessor to provide the requested data before March 20 or after April 1. Copies of all reports received by the chairperson in response to his or her order shall be transmitted to all members of the board upon receipt, but not later than five days prior to any meeting of the board held after April 1.

(4) Prior to any meeting of the board held after April 1, members of the board may transmit to the chairperson for referral to the other members of the board any proposals for action to be taken pursuant to the authority granted to the board by subdivisions (3) and (4) of section 77-1381.

Sec. 21. Section 77-1702, Revised Statutes Supplement, 2000, is amended to read:

77-1702. State warrants are receivable for the amount payable into the state treasury on account of tax levied for general state purposes.

County warrants are receivable for the amount payable into the county treasury for general purposes. City warrants shall be received for the city general tax, village warrants for the village general tax, and town warrants for the town general tax. State, city, village, or township taxes, levied for other special purposes, may be paid by warrants drawn and payable out of the particular fund on account of which they are tendered. Lawful money of the United States, checks, drafts, credit cards, charge cards, debit cards, money orders, electronic funds transfers, or other bills of exchange may be accepted in payment of any state, county, village, township, school district, or other governmental subdivision tax, levy, excise, duty, custom, toll, penalty, fine, license, fee, or assessment of whatever kind or nature, whether general or special.

Sec. 22. Section 77-1710, Reissue Revised Statutes of Nebraska, is amended to read:

77-1710. Whenever any taxes are paid, the county treasurer shall ~~write enter~~ enter on the tax lists, opposite the description of real estate or personal property whereon the same was levied, the word "paid", together with the date of such payment, and the name of the person paying the same, which entry shall be prima facie evidence of such payment.

Sec. 23. Section 77-1734, Reissue Revised Statutes of Nebraska, is amended to read:

77-1734. ~~In all cases where the~~ When the county treasurer shall ~~refund~~ refunds taxes pursuant to authority provided by law, he or she shall ~~write enter~~ enter opposite such taxes in the tax list the words Erroneously taxed -- refunded.

Sec. 24. Section 77-1822, Reissue Revised Statutes of Nebraska, is amended to read:

77-1822. The certificate of purchase shall be assignable by endorsement, and an assignment thereof shall vest in the assignee, or his or her legal representatives, all the right and title of the original purchaser. The , and the statement in the treasurer's deed of the fact of the assignment shall be presumptive evidence thereof. An assignment shall be recorded by the county treasurer who shall collect a reassignment fee of ten dollars and issue a new certificate to the assignee.

Sec. 25. Section 77-1836, Reissue Revised Statutes of Nebraska, is amended to read:

77-1836. If any person is compelled to publish notice in a newspaper as provided in sections 77-1834 and 77-1835, then before any person who may have a right to redeem such real property from such sale is permitted to redeem, he or she shall pay the officer or person who by law is authorized to receive such redemption money the amount paid for publishing such notice, for the use of the person compelled to publish the notice. The fee for such publication shall not exceed ~~one dollar~~ five dollars for each item of real property contained in such notice. ~~and not more than three dollars for any one notice.~~ The cost of making such publication shall be noted by the treasurer in the sales book opposite the real property described in the notice.

Sec. 26. Section 77-3443, Revised Statutes Supplement, 2001, is amended to read:

77-3443. (1) All political subdivisions, other than (a) school districts, community colleges, natural resources districts, educational service units, cities, villages, counties, municipal counties, and sanitary and improvement districts and (b) political subdivisions subject to municipal allocation under subsection (2) of this section, may levy taxes as authorized by law which are authorized by the county board of the county or the council of a municipal county in which the greatest portion of the valuation is located, which are counted in the county or municipal county levy limit provided in section 77-3442, and which do not collectively total more than fifteen cents per one hundred dollars of taxable valuation on any parcel or item of taxable property for all governments for which allocations are made by the municipality, county, or municipal county, except that such limitation shall not apply to property tax levies for preexisting lease-purchase contracts approved prior to July 1, 1998, for bonded indebtedness approved according to law and secured by a levy on property, and for payments by a public airport to retire interest-free loans from the Department of Aeronautics in lieu of bonded indebtedness at a lower cost to the public airport. The county board or council shall review and approve or disapprove the levy request of all political subdivisions subject to this subsection. The county board or council may approve all or a portion of the levy request and may approve a levy request that would allow the requesting political subdivision to levy a tax at a levy greater than that permitted by law. The county board of a county or the council of a municipal county which contains a

transit authority created pursuant to section 14-1803 shall allocate no less than three cents per one hundred dollars of taxable property within the city or municipal county subject to the levy to the transit authority if requested by such authority. For any political subdivision subject to this subsection that receives taxes from more than one county or municipal county, the levy shall be allocated only by the county or municipal county in which the greatest portion of the valuation is located. The county board of equalization shall certify all levies by October 15 to insure that the taxes levied by political subdivisions subject to this subsection do not exceed the allowable limit for any parcel or item of taxable property. The levy allocated by the county or municipal county may be exceeded as provided in section 77-3444.

(2) All city airport authorities established under the Cities Airport Authorities Act, community redevelopment authorities established under the Community Development Law, transit authorities established under the Transit Authority Law, and offstreet parking districts established under the Offstreet Parking District Act may be allocated property taxes as authorized by law which are authorized by the city, village, or municipal county and are counted in the city or village levy limit or municipal county levy limit provided by section 77-3442, except that such limitation shall not apply to property tax levies for preexisting lease-purchase contracts approved prior to July 1, 1998, for bonded indebtedness approved according to law and secured by a levy on property, and for payments by a public airport to retire interest-free loans from the Department of Aeronautics in lieu of bonded indebtedness at a lower cost to the public airport. For offstreet parking districts established under the Offstreet Parking District Act, the tax shall be counted in the allocation by the city proportionately, by dividing the total taxable valuation of the taxable property within the district by the total taxable valuation of the taxable property within the city multiplied by the levy of the district. The city council of a city which has created a transit authority pursuant to section 14-1803 or the council of a municipal county which contains a transit authority shall allocate no less than three cents per one hundred dollars of taxable property subject to the levy to the transit authority if requested by such authority. The city council, village board, or council shall review and approve or disapprove the levy request of the political subdivisions subject to this subsection. The city council, village board, or council may approve all or a portion of the levy request and may approve a levy request that would allow a levy greater than that permitted by law. The levy allocated by the municipality or municipal county may be exceeded as provided in section 77-3444.

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

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

Sec. 27. Section 77-3618, Revised Statutes Supplement, 2000, is amended to read:

77-3618. (1) The County Property Tax Relief Program is created. The program shall be used to distribute money to county governments to provide property tax relief and equalize county capacity to pay for public services from property taxes. Funds shall be distributed on or before September 1 each year by the Department of Revenue according to the formula created in this section.

(2) The department shall calculate the amount to be distributed to each county as follows:

(a) The county capacity shall be determined for each county. This amount is the assessed value of the county for the prior year multiplied by the county local effort rate, which is a tax rate of one and seven-tenths

cents per one hundred dollars valuation, divided by the number of road miles maintained by the county;

(b) The statewide county capacity shall be determined. This amount is the statewide assessed value for the prior year multiplied by the county local effort rate, which is a tax rate of one and seven-tenths cents per one hundred dollars valuation, divided by the number of road miles maintained by all counties;

(c) The amount of aid due a county shall be determined by subtracting the county capacity from the statewide county capacity, if the result is a positive number, this amount multiplied by the number of county road miles is the amount to be distributed to the county subject to subdivision (d) of this subsection; and

(d) The amount distributed to a county shall not exceed an amount equal to the result of a tax rate of five cents per one hundred dollars on the assessed value of the county.

(3) The Department of Roads shall provide the county road-mile information for all counties each year to the Department of Revenue. The information provided shall be the same as determined under section 39-2507.

(4) ~~The Legislature shall appropriate five million five hundred thousand dollars for fiscal year 1998-99 to the program from the General Fund for purposes of this section.~~ If sufficient funds are not appropriated to fully fund the provisions of this section, the Department of Revenue shall make a proportionate reduction in each distribution made pursuant to this section.

Sec. 28. Section 77-5004, Revised Statutes Supplement, 2001, is amended to read:

77-5004. (1) Each commissioner shall be a qualified voter and resident of the state and, for each commissioner representing a congressional district, a resident of the district he or she represents.

(2) Each commissioner shall devote his or her full time and efforts to the discharge of his or her duties and shall not hold any other office under the laws of this state, any city or county in this state, or the United States Government while serving on the commission. Each commissioner shall possess:

(a) Appropriate knowledge of terms commonly used in or related to real property appraisal and of the writing of appraisal reports;

(b) Adequate knowledge of depreciation theories, cost estimating, methods of capitalization, and real property appraisal mathematics;

(c) An understanding of the principles of land economics, appraisal processes, and problems encountered in the gathering, interpreting, and evaluating of data involved in the valuation of real property, including complex industrial properties and ~~mass appraisal~~ mass appraisal techniques;

(d) Knowledge of the law relating to taxation, civil and administrative procedure, due process, and evidence in Nebraska;

(e) At least thirty hours of successfully completed class hours in courses of study, approved by the Real Estate Appraiser Board, which relate to appraisal and which include a fifteen-hour course in the Uniform Standards of Professional Appraisal Practice. If a commissioner has not received such training prior to his or her appointment, such training shall be completed within one year after appointment; and

(f) Such other qualifications and skills as reasonably may be requisite for the effective and reliable performance of the commission's duties.

(3) One commissioner shall possess any certification or training required to become a licensed real estate appraiser as set forth in section 76-2230.

(4) Prior to January 1, 2002, the chairperson, and on and after January 1, 2002, at least two commissioners, shall have been engaged in the practice of law in the State of Nebraska for at least five years, which may include prior service as a judge, and shall be currently admitted to practice before the Nebraska Supreme Court.

(5) No commissioner or employee of the commission shall hold any position of profit or engage in any occupation or business interfering with or inconsistent with his or her duties as a commissioner or employee. A person is not eligible for appointment and may not hold the office of commissioner or be appointed by the commission to or hold any office or position under the commission if he or she holds any official office or position.

(6)(a) Each commissioner who meets the requirements of subsection (4) of this section on or after January 1, 2002, shall annually attend a seminar or class of at least two days' duration, ~~sponsored that is:~~

(i) Sponsored by a recognized assessment or appraisal organization, in each of these areas: Utility and railroad appraisal; appraisal of complex

industrial properties; appraisal of other hard to assess properties; and mass appraisal, residential or agricultural appraisal, or assessment administration; or

(ii) Pertaining to management, law, civil or administrative procedure, or other knowledge or skill necessary for performing the duties of the office.

(b) Each commissioner who does not meet the requirements of subsection (4) of this section on or after January 1, 2002, shall within two years after his or her appointment attend at least thirty hours of instruction that constitutes training for judges or administrative law judges.

(7) The commissioners shall be considered employees of the state for purposes of sections 81-1301 to 81-1391 and 84-1601 to 84-1615.

(8) The commissioners shall be reimbursed as prescribed in sections 81-1174 to 81-1177 for their actual and necessary expenses in the performance of their official duties pursuant to the Tax Equalization and Review Commission Act. Mileage expenses incurred while traveling in the line of duty to and from a commissioner's primary residence to the commission office as well as living expenses for any commissioner whose residence is located more than eighty miles from the commission office shall be reimbursed by the state if:

(a) The commission has adopted and promulgated rules and regulations establishing guidelines for allowable reimbursement of mileage and living expenses, except that the reimbursement rate for mileage shall not exceed the rate established by the Department of Administrative Services pursuant to section 81-1176;

(b) The commissioner complies with the request procedures for reimbursement set forth in such guidelines; and

(c) The total amounts authorized for reimbursement of such mileage and living expenses in any fiscal year shall not cause the total expenses to exceed the total funds appropriated to the program established for commissioners' expenses.

Sec. 29. Section 77-5016, Revised Statutes Supplement, 2001, is amended to read:

77-5016. All cases appealed to the commission shall be granted an informal hearing unless a formal hearing is granted as determined by the commission according to its rules and regulations. In cases appealed to the commission:

(1) The commission may admit and give probative effect to evidence which possesses probative value commonly accepted by reasonably prudent persons in the conduct of their affairs. It shall give effect to the rules of privilege recognized by law. It may exclude incompetent, irrelevant, immaterial, and unduly repetitious evidence. Any party to an appeal filed under section 77-5007 may request a formal hearing by delivering a written request to the commission not more than thirty days after the appeal is filed. The request shall include the requesting party's agreement to be liable for the payment of costs incurred and upon any appeal or review, including the cost of court reporting services which the requesting party shall procure for the hearing. The commission shall be bound by the rules of evidence applicable in district court in any formal hearing held by the commission. All costs of a formal hearing shall be paid by the party or parties against whom a final decision is rendered;

(2) The commission may administer oaths, issue subpoenas, compel the attendance of witnesses and the production of any papers, books, accounts, documents, statistical analysis, and testimony, and cause the depositions of witnesses residing either within or without the state to be taken in the manner prescribed by law for taking depositions in civil actions in the district court;

(3) All evidence including records and documents in the possession of the commission of which it desires to avail itself shall be offered and made a part of the record in the case. No other factual information or evidence shall be considered in the determination of the case. Documentary evidence may be received in the form of copies or excerpts or by incorporation by reference;

(4) Every party shall have the right of cross-examination of witnesses who testify and shall have the right to submit rebuttal evidence;

(5) The commission may take notice of judicially cognizable facts and in addition may take notice of general, technical, or scientific facts within its specialized knowledge or statistical information regarding general levels of assessment within a county or a class or subclass of real property within a county and measures of central tendency within such county or classes or subclasses within such county which have been made known to the commission. Parties shall be notified either before or during the hearing or by reference

in preliminary reports or otherwise of the material so noticed. They shall be afforded an opportunity to contest the facts so noticed. The commission may utilize its experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to it;

(6) Any person testifying under oath at a hearing who knowingly and intentionally makes a false statement to the commission or its designee is guilty of perjury. For the purpose of this section, perjury is a Class I misdemeanor;

(7) The commission shall hear appeals and cross appeals taken under section 77-5007 as in equity and without a jury and determine de novo all questions raised before the county board of equalization or the Property Tax Administrator which relate to the liability of the property to assessment or the amount thereof. If the appellant presents no evidence to show that the action taken by the board or the Property Tax Administrator is incorrect, the commission shall affirm such action. If the appellant presents any evidence to show that the action taken by the board or the Property Tax Administrator is incorrect, such action shall still be affirmed unless evidence is adduced establishing that the action of the board or the Property Tax Administrator was unreasonable or arbitrary. Any decision rendered by the commission shall be certified to the parties and, if applicable, to the county treasurer and the official charged with the duty of preparing the tax list. When such decision becomes final, any officials shall correct their records accordingly; and

(8) If the appeal concerns a decision by the county board of equalization that property is, in whole or in part, exempt from taxation, the decision to be rendered by the commission shall only determine the exemption status of the property. The decision shall not determine the taxable value of the property unless stipulated by the parties according to subsection (2) of section 77-5017; and

(9) The costs of any appeal, including the costs of witnesses, may be taxed by the commission as it deems just unless the appellant is the county assessor or county clerk in which case the costs shall be paid by the county.

Sec. 30. Section 79-1016, Revised Statutes Supplement, 2001, is amended to read:

79-1016. (1) On or before August 25, the county assessor shall certify to the Property Tax Administrator the total taxable value by school district in the county for the current assessment year on forms prescribed by the Property Tax Administrator. On or before October 10, the Property Tax Administrator shall compute and certify to the State Department of Education the adjusted valuation for the current assessment year for each class of property in each school district and each local system. The adjusted valuation of property for each school district and each local system, for purposes of determining state aid pursuant to the Tax Equity and Educational Opportunities Support Act, shall reflect as nearly as possible state aid value as defined in subsection (2) of this section. The Property Tax Administrator shall also notify each school district and each local system of its adjusted valuation for the current assessment year by class of property on or before October 10. Establishment of the adjusted valuation shall be based on assessment practices established by rule and regulation adopted and promulgated by the Property Tax Administrator. The assessment practices may include, but not be limited to, the appraisal methods listed in section 77-112 the determination of the level of value for each school district from an analysis of the comprehensive assessment ratio study or other studies developed by the Property Tax Administrator, in compliance with professionally accepted mass appraisal techniques, as required by section 77-1327. The Property Tax Administrator shall adopt and promulgate rules and regulations setting forth standards for the determination of level of value for school aid purposes.

(2) For purposes of this section, state aid value means:

(a) For real property other than agricultural and horticultural land, one hundred percent of market value;

(b) For agricultural and horticultural land, eighty percent of market value as provided in sections 77-1359 to 77-1363. For agricultural and horticultural land that receives special valuation pursuant to section 77-1344, one hundred percent of special valuation as defined in section 77-1343; and

(c) For personal property, the net book value as defined in section 77-120.

(3) On or before November 10, any local system may file with the Property Tax Administrator written objections to the adjusted valuations prepared by the Property Tax Administrator, stating the reasons why such adjusted valuations are not the valuations required by subsection (2) of this

section. The Property Tax Administrator shall fix a time for a hearing. Either party shall be permitted to introduce any evidence in reference thereto. On or before January 1, the Property Tax Administrator shall enter an order modifying or declining to modify, in whole or in part, the adjusted valuations and shall certify the order to the State Department of Education. Modification by the Property Tax Administrator shall be based upon the evidence introduced at hearing and shall not be limited to the modification requested in the written objections or at hearing. The final determination of the Property Tax Administrator may be appealed to the Tax Equalization and Review Commission in accordance with the Tax Equalization and Review Commission Act.

(4) On or before November 10, any local system or county official may file with the Property Tax Administrator a written request for a nonappealable correction of the adjusted valuation due to clerical error or, for agricultural and horticultural land, assessed value changes by reason of land qualified or disqualified for special use valuation pursuant to sections 77-1343 to 77-1348. For purposes of this subsection, clerical error means transposition of numbers, allocation of value to the wrong school district, mathematical error, and omitted value. On or before the following January 1, the Property Tax Administrator shall approve or deny the request and, if approved, certify the corrected adjusted valuations resulting from such action to the State Department of Education.

(5) No injunction shall be granted restraining the distribution of state aid based upon the adjusted valuations pursuant to this section.

(6) A school district whose state aid is to be calculated pursuant to subsection (4) of this section and whose state aid payment is postponed as a result of failure to calculate state aid pursuant to such subsection may apply to the state board for lump-sum payment of such postponed state aid. Such application may be for any amount up to one hundred percent of the postponed state aid. The state board may grant the entire amount applied for or any portion of such amount. The state board shall notify the Director of Administrative Services of the amount of funds to be paid in a lump sum and the reduced amount of the monthly payments. The Director of Administrative Services shall, at the time of the next state aid payment made pursuant to section 79-1022, draw a warrant for the lump-sum amount from appropriated funds and forward such warrant to the district.

Sec. 31. Section 81-118.01, Revised Statutes Supplement, 2000, is amended to read:

81-118.01. (1) Any state official or state agency may accept credit cards, charge cards, or debit cards, whether presented in person or electronically, or electronic funds transfers as a method of cash payment of any tax, levy, excise, duty, custom, toll, interest, penalty, fine, license, fee, or assessment of whatever kind or nature, whether general or special, as provided by section 77-1702.

(2) The total amount of such taxes, levies, excises, duties, customs, tolls, interest, penalties, fines, licenses, fees, or assessments of whatever kind or nature, whether general or special, paid for by credit card, charge card, ~~or~~ debit card, or electronic funds transfer shall be collected by the state official or state agency.

(3) Any state official or state agency operating a facility in a proprietary capacity may choose to accept credit cards, charge cards, or debit cards, whether presented in person or electronically, or electronic funds transfers as a means of cash payment, and may adjust the price for services to reflect the handling and payment costs.

(4) The state official or state agency shall obtain, for each transaction, authorization for use of any credit card, charge card, or debit card used pursuant to this section from the financial institution, vending service company, credit card or charge card company, or third-party merchant bank providing such service.

(5) The types of credit cards, charge cards, or debit cards accepted and the payment services provided for any state official or state agency shall be determined by the State Treasurer and the Director of Administrative Services with the advice of the committee convened pursuant to subsection (5) of section 13-609. The State Treasurer and the director shall contract with one or more credit card, charge card, or debit card companies or third-party merchant banks for services on behalf of the state and those counties, cities, and political subdivisions that choose to participate in the state contract for such services. Any negotiated discount, processing, or transaction fee imposed by a credit card, charge card, or debit card company or third-party merchant bank shall be considered, for purposes of this section, as an administrative expense.

(6) A state official or state agency obtaining, for each

transaction, authorization for use of any credit card or charge card used pursuant to this section may, but is not required to, impose a surcharge or convenience fee upon the person making a payment by credit card or charge card so as to wholly or partially offset the amount of any discount or administrative fees charged to the state agency, but the surcharge or convenience fee shall not exceed the surcharge or convenience fee imposed by the credit card or charge card companies or third-party merchant banks which have contracted under subsection (5) of this section. The surcharge or convenience fee shall be applied only when allowed by the operating rules and regulations of the credit card or charge card involved or when authorized in writing by the credit card or charge card company involved. When a person elects to make a payment to a state agency by credit card or charge card and such a surcharge or convenience fee is imposed, the payment of such surcharge or convenience fee shall be deemed voluntary by such person and shall be in no case refundable. If a payment is made electronically by credit card, charge card, debit card, or electronic funds transfer as part of a system for providing or retrieving information electronically, the state official or state agency shall be authorized but not required to impose an additional surcharge or convenience fee upon the person making a payment.

(7) For purposes of this section, electronic funds transfer means the movement of funds by nonpaper means, usually through a payment system, including, but not limited to, an automated clearinghouse or the Federal Reserve's Fedwire system.

Sec. 32. Original sections 13-609, 19-3315, 37-335, 49-1202, 49-1203, 60-6,322, 77-1710, 77-1734, 77-1822, and 77-1836, Reissue Revised Statutes of Nebraska, and sections 18-2147, 60-106, 77-202, 77-415, 77-1318.01, 77-1340, 77-1345, 77-1348, 77-1380, 77-1702, 77-3618, and 81-118.01, Revised Statutes Supplement, 2000, and sections 60-302, 77-1315, 77-1327, 77-1343, 77-1347, 77-3443, 77-5004, 77-5016, and 79-1016, Revised Statutes Supplement, 2001, are repealed.

Sec. 33. The following section is outright repealed: Section 77-1513, Reissue Revised Statutes of Nebraska.

Sec. 34. Since an emergency exists, this act takes effect when passed and approved according to law.