

AMENDMENTS TO LB 357

Introduced by Ashford

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 Section 1. Section 77-27,142, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-27,142 (1) Any incorporated municipality by ordinance
6 of its governing body is hereby authorized to impose a sales and
7 use tax of one-half percent, one percent, ~~or~~ one and one-half
8 percent, one and three-quarters percent, or two percent upon the
9 same transactions that are sourced under the provisions of sections
10 77-2703.01 to 77-2703.04 within such incorporated municipality on
11 which the State of Nebraska is authorized to impose a tax pursuant
12 to the Nebraska Revenue Act of 1967, as amended from time to time.
13 No sales and use tax shall be imposed pursuant to this section
14 until an election has been held and a majority of the qualified
15 electors have approved such tax pursuant to sections 77-27,142.01
16 and 77-27,142.02.

17 (2) (a) Any incorporated municipality that proposes to
18 impose a municipal sales and use tax at a rate greater than one
19 and one-half percent or increase a municipal sales and use tax
20 to a rate greater than one and one-half percent shall submit the
21 question of such tax or increase at a primary or general election
22 held within the incorporated municipality. The question shall be
23 submitted upon an affirmative vote by at least seventy percent

1 of all of the members of the governing body of the incorporated
2 municipality.

3 (b) Any rate greater than one and one-half percent shall
4 be used as follows:

5 (i) In a city of the metropolitan class, the proceeds
6 from the first one-quarter percent of the rate greater than one and
7 one-half percent shall be used to reduce other taxes, the proceeds
8 from the next one-eighth percent of the rate greater than one and
9 one-half percent shall be used for public infrastructure projects,
10 and the proceeds from the next one-eighth percent of the rate
11 greater than one and one-half percent shall be used for purposes of
12 the interlocal agreement or joint public agency agreement described
13 in subsection (3) of this section;

14 (ii) In a city of the primary class, up to fifteen
15 percent of the proceeds from the rate in excess of one and one-half
16 percent may be used for non-public infrastructure project of
17 an interlocal agreement or joint public agency agreement with
18 another political subdivision within the municipality or the
19 county in which the municipality is located, and the remaining
20 proceeds shall be used for public infrastructure projects or
21 voter-approved infrastructure related to an economic development
22 program as defined in section 18-2705; and

23 (iii) In any incorporated municipality other than a city
24 of the metropolitan or primary class, the proceeds from the rate
25 in excess of one and one-half percent shall be used for public
26 infrastructure projects or voter-approved infrastructure related to
27 an economic development program as defined in section 18-2705.

1 For purposes of this section, public infrastructure
2 project means and includes, but is not limited to, any of the
3 following projects, or any combination thereof: Public highways and
4 bridges and municipal roads, streets, bridges, and sidewalks; solid
5 waste management facilities; wastewater, storm water, and water
6 treatment works and systems, water distribution facilities, and
7 water resources projects, including, but not limited to, pumping
8 stations, transmission lines, and mains and their appurtenances;
9 hazardous waste disposal systems; resource recovery systems;
10 airports; port facilities; buildings and capital equipment used
11 in the operation of municipal government; convention and tourism
12 facilities; redevelopment projects as defined in section 18-2103;
13 mass transit and other transportation systems, including parking
14 facilities; and equipment necessary for the provision of municipal
15 services.

16 (c) Any rate greater than one and one-half percent shall
17 terminate no more than ten years after its effective date or, if
18 bonds are issued and the local option sales and use tax revenue is
19 pledged for payment of such bonds, upon payment of such bonds and
20 any refunding bonds, whichever date is later, except as provided in
21 subdivision (2)(d) of this section.

22 (d) If a portion of the rate greater than one and
23 one-half percent is stated in the ballot question as being imposed
24 for the purpose of the interlocal agreement or joint public agency
25 agreement described in subdivision (2)(b)(ii) or subsection (3) of
26 this section, and such portion is at least one-eighth percent,
27 there shall be no termination date for the rate representing such

1 portion rounded to the next higher one-quarter or one-half percent.

2 (e) Sections 13-518 to 13-522 apply to the revenue from
3 any such tax or increase.

4 (3) (a) No municipal sales and use tax shall be imposed
5 at a rate greater than one and one-half percent or increased to a
6 rate greater than one and one-half percent unless the municipality
7 is a party to an interlocal agreement pursuant to the Interlocal
8 Cooperation Act or a joint public agency agreement pursuant to the
9 Joint Public Agency Act with a political subdivision within the
10 municipality or the county in which the municipality is located
11 creating a separate legal or administrative entity relating to a
12 public infrastructure project.

13 (b) Except as provided in subdivision (2) (b) (ii)
14 of this section, such interlocal agreement or joint public
15 agency agreement shall contain provisions, including benchmarks,
16 relating to the long-term development of unified governance
17 of public infrastructure projects with respect to the parties.
18 The Legislature may provide additional requirements for such
19 agreements, including benchmarks, but such additional requirements
20 shall not apply to any debt outstanding at the time the
21 Legislature enacts such additional requirements. The separate legal
22 or administrative entity created shall not be one that was in
23 existence for one calendar year preceding the submission of the
24 question of such tax or increase at a primary or general election
25 held within the incorporated municipality.

26 (c) Any other public agency as defined in section 13-803
27 may be a party to such interlocal cooperation agreement or joint

1 public agency agreement.

2 (d) A municipality is not required to use all of the
3 additional revenue generated by a sales and use tax imposed at a
4 rate greater than one and one-half percent or increased to a rate
5 greater than one and one-half percent under this subsection for the
6 purposes of the interlocal cooperation agreement or joint public
7 agency agreement set forth in this subsection.

8 (4) The provisions of subsections (2) and (3) of this
9 section do not apply to the first one and one-half percent of a
10 sales and use tax imposed by a municipality.

11 (5) Notwithstanding any provision of any municipal
12 charter, any incorporated municipality or interlocal agency or
13 joint public agency pursuant to an agreement as provided in
14 subsection (3) of this section may issue bonds in one or more
15 series for any municipal purpose and pay the principal of
16 and interest on any such bonds by pledging receipts from the
17 increase in the municipal sales and use taxes authorized by such
18 municipality. Any municipality which has or may issue bonds under
19 this section may dedicate a portion of its property tax levy
20 authority as provided in section 77-3442 to meet debt service
21 obligations under the bonds. For purposes of this subsection, bond
22 means any evidence of indebtedness, including, but not limited to,
23 bonds, notes including notes issued pending long-term financing
24 arrangements, warrants, debentures, obligations under a loan
25 agreement or a lease-purchase agreement, or any similar instrument
26 or obligation.

27 (2) A city of the metropolitan class is hereby authorized

1 to increase any city sales and use tax existing on January 1,
2 1978, imposed pursuant to this section by an amount not to exceed
3 one-half of one percent if the question of such tax increase
4 is submitted to the voters of such city and the voters by a
5 majority vote approve such increase. The question of such increase
6 shall be submitted to the voters at the primary or general
7 election in 1980 if the city council shall submit a certified
8 copy of a resolution to that effect to the election commissioner
9 not later than forty-one days prior to the primary or general
10 election. Notwithstanding the provisions of section 77-27,143, if
11 the increase is approved by the voters at the primary or general
12 election in 1980, the election commissioner shall file a certified
13 copy of the election results with the Tax Commissioner on or before
14 the last day of the month in which the election is held. If the
15 increase is not approved by the voters at the primary or general
16 election in 1980, no tax increased pursuant to this section shall
17 remain in effect after December 31, 1980.

18 (3) A city of the primary class is hereby authorized
19 to increase any city sales and use tax existing on January 1,
20 1985, imposed pursuant to this section by an amount not to exceed
21 one-half of one percent if the question of such tax increase
22 is submitted to the voters of such city and the voters by a
23 majority vote approve such increase. The question of such increase
24 shall be submitted to the voters at the next primary or general
25 election or at a special election if the city council shall submit
26 a certified copy of a resolution proposing the tax increase to
27 the election commissioner within a reasonable time prior to the

1 ~~primary, general, or special election. If the increase is approved~~
2 ~~by the voters at the primary, general, or special election, the~~
3 ~~election commissioner shall file a certified copy of the election~~
4 ~~results with the Tax Commissioner on or before the last day of the~~
5 ~~month in which the election is held. If the voters of a city of~~
6 ~~the primary class have not approved such an increase by December~~
7 ~~31, 1987, the question of such an increase shall not be submitted~~
8 ~~thereafter to the voters and there shall be no increase in the city~~
9 ~~sales and use tax.~~

10 (4) A city of the first or second class or village is
11 hereby authorized to increase any city sales and use tax existing
12 on January 1, 1986, imposed pursuant to this section by an amount
13 not to exceed one-half of one percent if the question of such tax
14 increase is submitted to the voters of such city or village and
15 the voters by a majority vote approve such increase. The question
16 of such increase shall be submitted to the voters at any primary
17 or general election or at a special election if the city council
18 or village board shall submit a certified copy of a resolution
19 proposing the tax increase to the election commissioner or county
20 clerk within a reasonable time prior to the primary, general, or
21 special election. If the increase is approved by the voters at the
22 primary, general, or special election, the election commissioner
23 shall file a certified copy of the election results with the Tax
24 Commissioner on or before the last day of the month in which the
25 election is held.

26 Sec. 2. Section 77-27,142.01, Reissue Revised Statutes of
27 Nebraska, is amended to read:

1 77-27,142.01 (1) The governing body of any incorporated
2 municipality may submit the question of changing any terms
3 and conditions of a sales and use tax previously authorized
4 under section 77-27,142. Except as otherwise provided by section
5 77-27,142, the The question of modification shall be submitted to
6 the voters at any primary or general election or at a special
7 election if the governing body submits a certified copy of the
8 resolution proposing modification to the election commissioner or
9 county clerk within the time prior to the primary, general, or
10 special election prescribed in section 77-27,142.02.

11 (2) If the change imposes a sales and use tax at a
12 rate greater than one and one-half percent or increases the sales
13 and use tax to a rate greater than one and one-half percent, the
14 question shall include, but not be limited to:

15 (a) The percentage increase of one-quarter percent or
16 one-half percent in the sales and use tax rate;

17 (b) A list of reductions or elimination of other taxes or
18 fees, if any;

19 (c) A description of the projects to be funded, in whole
20 or in part, from the revenue collected, along with any savings or
21 efficiencies resulting from the projects;

22 (d) The year or years within which the revenue will be
23 collected and, if bonds will be issued with some or all of the
24 revenue pledged for payment of such bonds, a statement that the
25 revenue will be collected until the payment in full of such bonds
26 and any refunding bonds; and

27 (e) (i) The percentage of revenue collected to be used for

1 the purposes of the interlocal agreement or joint public agency
2 agreement as provided in subdivision (2) (b) (ii) or subsection (3)
3 of section 77-27,142; (ii) a statement of the overall purpose
4 of the agreement which is the long-term development of unified
5 governance of public infrastructure projects, if applicable; and
6 (iii) the name of any other political subdivision which is a party
7 to the agreement.

8 This subsection does not apply to the first one and
9 one-half percent of a sales and use tax imposed by a municipality.

10 Sec. 3. Section 77-27,142.02, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-27,142.02 Except as otherwise provided by subsection
13 (2) of section 77-27,142, after February 14, 1978, the power
14 granted by section 77-27,142 shall not be exercised unless and
15 until the question has been submitted at a primary, general, or
16 special election held within the incorporated municipality and in
17 which all qualified electors shall be entitled to vote on such
18 question. The officials of the incorporated municipality shall
19 order the submission of the question by submitting a certified copy
20 of the resolution proposing the tax to the election commissioner
21 or county clerk by March 1 for a primary election, by September 1
22 for a general election, or at least fifty days before a special
23 election. ~~The~~ Except as otherwise provided by subsection (2)
24 of section 77-27,142.01, the question may include any terms and
25 conditions set forth in the resolution proposing the tax, such as
26 a termination date or the specific project or program for which
27 the revenue received from such tax will be allocated, and shall

1 include the following language: Shall the governing body of the
2 incorporated municipality impose a sales and use tax upon the
3 same transactions within such municipality on which the State of
4 Nebraska is authorized to impose a tax? If a majority of the votes
5 cast upon such question shall be in favor of such tax, then the
6 governing body of such incorporated municipality shall be empowered
7 as provided by section 77-27,142 and shall forthwith proceed to
8 impose a tax pursuant to the Local Option Revenue Act. If a
9 majority of those voting on the question shall be opposed to such
10 tax, then the governing body of the incorporated municipality shall
11 not impose such a tax.

12 Sec. 4. Original sections 77-27,142, 77-27,142.01, and
13 77-27,142.02, Reissue Revised Statutes of Nebraska, are repealed.