

AMENDMENTS TO LB 104

Introduced by Chambers

1           1. Insert the following new sections:

2           Section 1. Section 77-27,142, Revised Statutes Cumulative  
3 Supplement, 2012, is amended to read:

4           77-27,142 (1) Any incorporated municipality other than  
5 a city of the metropolitan class by ordinance of its governing  
6 body is hereby authorized to impose a sales and use tax of  
7 one-half percent, one percent, one and one-half percent, one and  
8 three-quarters percent, or two percent upon the same transactions  
9 that are sourced under the provisions of sections 77-2703.01 to  
10 77-2703.04 within such incorporated municipality on which the State  
11 of Nebraska is authorized to impose a tax pursuant to the Nebraska  
12 Revenue Act of 1967, as amended from time to time. Any city of  
13 the metropolitan class by ordinance of its governing body is hereby  
14 authorized to impose a sales and use tax of one-half percent, one  
15 percent, or one and one-half percent upon the same transactions  
16 that are sourced under the provisions of sections 77-2703.01 to  
17 77-2703.04 within such city of the metropolitan class on which  
18 the State of Nebraska is authorized to impose a tax pursuant to  
19 the Nebraska Revenue Act of 1967, as amended from time to time.  
20 No sales and use tax shall be imposed pursuant to this section  
21 until an election has been held and a majority of the qualified  
22 electors have approved such tax pursuant to sections 77-27,142.01  
23 and 77-27,142.02.

1           (2) (a) Any incorporated municipality that proposes to  
2 impose a municipal sales and use tax at a rate greater than one  
3 and one-half percent or increase a municipal sales and use tax  
4 to a rate greater than one and one-half percent shall submit the  
5 question of such tax or increase at a primary or general election  
6 held within the incorporated municipality. The question shall be  
7 submitted upon an affirmative vote by at least seventy percent  
8 of all of the members of the governing body of the incorporated  
9 municipality.

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

12           ~~(i) In a city of the metropolitan class, the proceeds~~  
13 ~~from the first one-quarter percent of the rate greater than one and~~  
14 ~~one-half percent shall be used to reduce other taxes, the proceeds~~  
15 ~~from the next one-eighth percent of the rate greater than one and~~  
16 ~~one-half percent shall be used for public infrastructure projects,~~  
17 ~~and the proceeds from the next one-eighth percent of the rate~~  
18 ~~greater than one and one-half percent shall be used for purposes of~~  
19 ~~the interlocal agreement or joint public agency agreement described~~  
20 ~~in subsection (3) of this section;~~

21           ~~(ii)~~ (i) In a city of the primary class, up to fifteen  
22 percent of the proceeds from the rate in excess of one and one-half  
23 percent may be used for non-public infrastructure projects of  
24 an interlocal agreement or joint public agency agreement with  
25 another political subdivision within the municipality or the  
26 county in which the municipality is located, and the remaining  
27 proceeds shall be used for public infrastructure projects or

1 voter-approved infrastructure related to an economic development  
2 program as defined in section 18-2705; and

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

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

23 (c) Any rate greater than one and one-half percent shall  
24 terminate no more than ten years after its effective date or, if  
25 bonds are issued and the local option sales and use tax revenue is  
26 pledged for payment of such bonds, upon payment of such bonds and  
27 any refunding bonds, whichever date is later, except as provided in

1 subdivision (2)(d) of this section.

2 (d) If a portion of the rate greater than one and  
3 one-half percent is stated in the ballot question as being imposed  
4 for the purpose of the interlocal agreement or joint public  
5 agency agreement described in subdivision ~~(2)(b)(ii)~~ (2)(b)(i) or  
6 subsection (3) of this section, and such portion is at least  
7 one-eighth percent, there shall be no termination date for the rate  
8 representing such portion rounded to the next higher one-quarter or  
9 one-half percent.

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

12 (3)(a) No municipal sales and use tax shall be imposed  
13 at a rate greater than one and one-half percent or increased to a  
14 rate greater than one and one-half percent unless the municipality  
15 is a party to an interlocal agreement pursuant to the Interlocal  
16 Cooperation Act or a joint public agency agreement pursuant to the  
17 Joint Public Agency Act with a political subdivision within the  
18 municipality or the county in which the municipality is located  
19 creating a separate legal or administrative entity relating to a  
20 public infrastructure project.

21 (b) Except as provided in subdivision ~~(2)(b)(ii)~~  
22 (2)(b)(i) of this section, such interlocal agreement or joint  
23 public agency agreement shall contain provisions, including  
24 benchmarks, relating to the long-term development of unified  
25 governance of public infrastructure projects with respect to  
26 the parties. The Legislature may provide additional requirements  
27 for such agreements, including benchmarks, but such additional

1 requirements shall not apply to any debt outstanding at the time  
2 the Legislature enacts such additional requirements. The separate  
3 legal or administrative entity created shall not be one that was  
4 in existence for one calendar year preceding the submission of the  
5 question of such tax or increase at a primary or general election  
6 held within the incorporated municipality.

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

10 (d) A municipality is not required to use all of the  
11 additional revenue generated by a sales and use tax imposed at a  
12 rate greater than one and one-half percent or increased to a rate  
13 greater than one and one-half percent under this subsection for the  
14 purposes of the interlocal cooperation agreement or joint public  
15 agency agreement set forth in this subsection.

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

19 (5) Notwithstanding any provision of any municipal  
20 charter, any incorporated municipality or interlocal agency or  
21 joint public agency pursuant to an agreement as provided in  
22 subsection (3) of this section may issue bonds in one or more  
23 series for any municipal purpose and pay the principal of  
24 and interest on any such bonds by pledging receipts from the  
25 increase in the municipal sales and use taxes authorized by such  
26 municipality. Any municipality which has or may issue bonds under  
27 this section may dedicate a portion of its property tax levy

1 authority as provided in section 77-3442 to meet debt service  
2 obligations under the bonds. For purposes of this subsection, bond  
3 means any evidence of indebtedness, including, but not limited to,  
4 bonds, notes including notes issued pending long-term financing  
5 arrangements, warrants, debentures, obligations under a loan  
6 agreement or a lease-purchase agreement, or any similar instrument  
7 or obligation.

8           Sec. 2. Section 77-27,142.01, Revised Statutes Cumulative  
9 Supplement, 2012, is amended to read:

10           77-27,142.01 (1) The governing body of any incorporated  
11 municipality may submit the question of changing any terms  
12 and conditions of a sales and use tax previously authorized  
13 under section 77-27,142. Except as otherwise provided by section  
14 77-27,142, the question of modification shall be submitted to the  
15 voters at any primary or general election or at a special election  
16 if the governing body submits a certified copy of the resolution  
17 proposing modification to the election commissioner or county clerk  
18 within the time prior to the primary, general, or special election  
19 prescribed in section 77-27,142.02.

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

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

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

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

4           (d) The year or years within which the revenue will be  
5 collected and, if bonds will be issued with some or all of the  
6 revenue pledged for payment of such bonds, a statement that the  
7 revenue will be collected until the payment in full of such bonds  
8 and any refunding bonds; and

9           (e) (i) The percentage of revenue collected to be used  
10 for the purposes of the interlocal agreement or joint public  
11 agency agreement as provided in subdivision ~~(2)(b)(ii)~~ (2)(b)(i)  
12 or subsection (3) of section 77-27,142; (ii) a statement of the  
13 overall purpose of the agreement which is the long-term development  
14 of unified governance of public infrastructure projects, if  
15 applicable; and (iii) the name of any other political subdivision  
16 which is a party to the agreement.

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

19           2. Renumber the remaining sections and correct the  
20 repealer accordingly.