

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 5CA

PROPOSED CONSTITUTIONAL AMENDMENT

Introduced By: Friend, 10

Read first time: January 5, 2007

Committee: Urban Affairs

1 THE MEMBERS OF THE ONE HUNDREDTH LEGISLATURE OF NEBRASKA,
2 FIRST SESSION, RESOLVE THAT:

3 Section 1. At the primary election in May 2008 the following
4 proposed amendment to the Constitution of Nebraska shall be submitted
5 to the electors of the State of Nebraska for approval or rejection:

6 To amend Article XIII, section 2:

7 XIII-2. (1) Notwithstanding any other provision in the
8 Constitution, the Legislature may authorize any county or incorporated
9 city or village, including cities operating under home rule charters,
10 to acquire, own, develop, and lease real and personal property
11 suitable for use by manufacturing or industrial enterprises and to
12 issue revenue bonds for the purpose of defraying the cost of acquiring
13 and developing such property by construction, purchase, or otherwise.
14 The Legislature may also authorize such county, city, or village to
15 acquire, own, develop, and lease real and personal property suitable
16 for use by enterprises as determined by law if such property is
17 located in blighted areas as determined by law and to issue revenue
18 bonds for the purpose of defraying the cost of acquiring and

1 developing or financing such property by construction, purchase, or
2 otherwise. Such bonds shall not become general obligation bonds of the
3 governmental subdivision by which such bonds are issued. Any real or
4 personal property acquired, owned, developed, or used by any such
5 county, city, or village pursuant to this ~~section~~ subsection shall
6 be subject to taxation to the same extent as private property during
7 the time it is leased to or held by private interests, notwithstanding
8 the provisions of Article VIII, section 2, of ~~the~~ this
9 Constitution. The acquiring, owning, developing, and leasing of such
10 property shall be deemed for a public purpose, but the governmental
11 subdivision shall not have the right to acquire such property by
12 condemnation. The principal of and interest on any bonds issued may
13 be secured by a pledge of the lease and the revenue therefrom and by
14 mortgage upon such property. No such governmental subdivision shall
15 have the power to operate any such property as a business or in any
16 manner except as the lessor thereof.

17 (2) Notwithstanding any other provision in this
18 Constitution, the Legislature may also authorize any county, city, or
19 village to acquire, own, develop, and lease or finance real and
20 personal property, other than property used or to be used for
21 sectarian instruction or study or as a place for devotional
22 activities or religious worship, to be used, during the term of any
23 revenue bonds issued, only by nonprofit enterprises as determined by
24 law and to issue revenue bonds for the purpose of defraying the cost
25 of acquiring and developing or financing such property by
26 construction, purchase, or otherwise. Such bonds shall not become
27 general obligation bonds of the governmental subdivision by which

1 such bonds are issued and such governmental subdivision shall have no
2 authority to impose taxes for the payment of such bonds.
3 Notwithstanding the provisions of Article VIII, section 2, of this
4 Constitution, the acquisition, ownership, development, use, or
5 financing of any real or personal property pursuant to the provisions
6 of this subsection shall not affect the imposition of any taxes or
7 the exemption therefrom by the Legislature pursuant to this
8 Constitution. The acquiring, owning, developing, and leasing or
9 financing of such property shall be deemed for a public purpose, but
10 the governmental subdivision shall not have the right to acquire such
11 property for the purposes specified in this subsection by
12 condemnation. The principal of and interest on any bonds issued may
13 be secured by a pledge of the lease and the revenue therefrom and by
14 mortgage upon such property. No such governmental subdivision shall
15 have the power to operate any such property as a business or in any
16 manner except as the lessor thereof.

17 (3) Notwithstanding any other provision in ~~the~~ this
18 Constitution, the Legislature may also authorize any incorporated
19 city or village, including cities operating under home rule charters,
20 to appropriate from local sources of revenue such funds as may be
21 deemed necessary for an economic or industrial development project or
22 program subject to approval by a vote of a majority of the registered
23 voters of such city or village voting upon the question. For purposes
24 of this provision, funds from local sources of revenue shall mean
25 funds raised from general taxes levied by the city or village and
26 shall not include any funds received by the city or village which are
27 derived from state or federal sources.

1 Sec. 2. The proposed amendment shall be submitted to the
2 electors in the manner prescribed by the Constitution of Nebraska,
3 Article XVI, section 1, with the following ballot language:

4 A constitutional amendment to authorize the use of revenue
5 bonds to develop and lease property for use by nonprofit
6 enterprises as determined by law.

7 For

8 Against.