

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 976**

Introduced by Cornett, 45.

Read first time January 19, 2010

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 13-519, Revised Statutes Supplement, 2009; to change a  
3 provision relating to budget limitations; and to repeal  
4 the original section.

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

1           Section 1. Section 13-519, Revised Statutes Supplement,  
2 2009, is amended to read:

3           13-519 (1) (a) Subject to subdivisions (1) (b) and (c) of  
4 this section, for all fiscal years beginning on or after July  
5 1, 1998, no governmental unit shall adopt a budget containing  
6 a total of budgeted restricted funds more than the last prior  
7 year's total of budgeted restricted funds plus allowable growth  
8 plus the basic allowable growth percentage of the base limitation  
9 established under section 77-3446. For the second fiscal year in  
10 which a county will receive a full year of receipts from the tax  
11 imposed in sections 77-27,223 to 77-27,227, the prior year's total  
12 of restricted funds shall be the prior year's total of restricted  
13 funds plus the total receipts from the tax imposed in sections  
14 77-27,223 to 77-27,227 in the prior year. For fiscal years 2010-11  
15 through 2013-14 in which a county will reassume the assessment  
16 function pursuant to section 77-1340 or 77-1340.04, the prior  
17 year's total of restricted funds shall be the prior year's total  
18 of restricted funds plus the total budgeted for the reassumption  
19 of the assessment function. If a governmental unit transfers the  
20 financial responsibility of providing a service financed in whole  
21 or in part with restricted funds to another governmental unit or  
22 the state, the amount of restricted funds associated with providing  
23 the service shall be subtracted from the last prior year's total  
24 of budgeted restricted funds for the previous provider and may  
25 be added to the last prior year's total of restricted funds for

1 the new provider. For governmental units that have consolidated,  
2 the calculations made under this section for consolidating units  
3 shall be made based on the combined total of restricted funds,  
4 population, or full-time equivalent students of each governmental  
5 unit.

6 (b) For all fiscal years beginning on or after July 1,  
7 2005, the last prior year's total of budgeted restricted funds  
8 shall be increased for a community college area by adding to such  
9 area's fiscal year base-year revenue the amount of revenue to be  
10 collected under subdivision (2)(c) of section 85-1517 that is in  
11 excess of the amount budgeted under this subdivision in the prior  
12 fiscal year.

13 (c) For all fiscal years beginning on or after July  
14 1, 2008, educational service units may exceed the limitations  
15 of subdivision (1)(a) of this section to the extent that one  
16 hundred ten percent of the needs for the educational service unit  
17 calculated pursuant to section 79-1241.03 exceeds the budgeted  
18 restricted funds allowed pursuant to subdivision (1)(a) of this  
19 section.

20 (2) A governmental unit may exceed the limit provided in  
21 subdivisions (1)(a) and (b) of this section for a fiscal year by up  
22 to an additional one percent upon the affirmative vote of at least  
23 seventy-five percent of the governing body.

24 (3) A governmental unit may exceed the applicable  
25 allowable growth percentage otherwise prescribed in this section

1 by an amount approved by a majority of legal voters voting on  
2 the issue at a special election called for such purpose upon the  
3 recommendation of the governing body or upon the receipt by the  
4 county clerk or election commissioner of a petition requesting an  
5 election signed by at least five percent of the legal voters of  
6 the governmental unit. The recommendation of the governing body  
7 or the petition of the legal voters shall include the amount and  
8 percentage by which the governing body would increase its budgeted  
9 restricted funds for the ensuing year over and above the current  
10 year's budgeted restricted funds. The county clerk or election  
11 commissioner shall call for a special election on the issue within  
12 thirty days after the receipt of such governing body recommendation  
13 or legal voter petition. The election shall be held pursuant to the  
14 Election Act, and all costs shall be paid by the governing body.  
15 The issue may be approved on the same question as a vote to exceed  
16 the levy limits provided in section 77-3444.

17 (4) In lieu of the election procedures in subsection (3)  
18 of this section, any governmental unit may exceed the allowable  
19 growth percentage otherwise prescribed in this section by an amount  
20 approved by a majority of legal voters voting at a meeting of  
21 the residents of the governmental unit, called after notice is  
22 published in a newspaper of general circulation in the governmental  
23 unit at least twenty days prior to the meeting. At least ten  
24 percent of the registered voters residing in the governmental unit  
25 shall constitute a quorum for purposes of taking action to exceed

1 the allowable growth percentage. If a majority of the registered  
2 voters present at the meeting vote in favor of exceeding the  
3 allowable growth percentage, a copy of the record of that action  
4 shall be forwarded to the Auditor of Public Accounts along with  
5 the budget documents. Any amount approved by the registered voters  
6 to exceed the allowable growth percentage shall become part of the  
7 budgeted restricted funds of the governmental unit for the ensuing  
8 fiscal years. The issue to exceed the allowable growth percentage  
9 may be approved at the same meeting as a vote to exceed the limits  
10 or final levy allocation provided in section 77-3444.

11           Sec. 2. Original section 13-519, Revised Statutes  
12 Supplement, 2009, is repealed.