LEGISLATIVE BILL 431

Introduced by Erdman, 47; Groene, 42; Halloran, 33; Lowe, 37.
Read first time January 17, 2017
Committee: Government, Military and Veterans Affairs

A BILL FOR AN ACT relating to the Nebraska Budget Act; to amend section 13-504, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to cash reserves; to provide operative dates; to repeal the original section; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,
Section 1. Section 13-504, Revised Statutes Cumulative Supplement, 2016, is amended to read:

13-504 (1) Each governing body shall annually or biennially, as the case may be, prepare a proposed budget statement on forms prescribed and furnished by the auditor. The proposed budget statement shall be made available to the public by the political subdivision prior to publication of the notice of the hearing on the proposed budget statement pursuant to section 13-506. A proposed budget statement shall contain the following information, except as provided by state law:

(a) For the immediately preceding fiscal year or biennial period, the revenue from all sources, including motor vehicle taxes, other than revenue received from personal and real property taxation, allocated to the funds and separately stated as to each such source: The unencumbered cash balance at the beginning and end of the year or biennial period; the amount received by taxation of personal and real property; and the amount of actual expenditures;

(b) For the current fiscal year or biennial period, actual and estimated revenue from all sources, including motor vehicle taxes, allocated to the funds and separately stated as to each such source: The actual unencumbered cash balance available at the beginning of the year or biennial period; the amount received from personal and real property taxation; and the amount of actual and estimated expenditures, whichever is applicable. Such statement shall contain the cash reserve for each fiscal year or biennial period and shall note whether or not such reserve is encumbered. Such cash reserve projections shall be based upon the actual experience of prior years or biennial periods. The cash reserve shall not exceed fifty percent of the total amount received from personal and real property taxation budget adopted exclusive of capital outlay items;

(c) For the immediately ensuing fiscal year or biennial period, an estimate of revenue from all sources, including motor vehicle taxes,
other than revenue to be received from taxation of personal and real
property, separately stated as to each such source: The actual or
estimated unencumbered cash balances, whichever is applicable, to be
available at the beginning of the year or biennial period; the amounts
proposed to be expended during the year or biennial period; and the
amount of cash reserve, based on actual experience of prior years or
biennial periods, which cash reserve shall not exceed fifty percent of
the total amount received from personal and real property taxation budget
adopted exclusive of capital outlay items;

(d) A statement setting out separately the amount sought to be
raised from the levy of a tax on the taxable value of real property (i)
for the purpose of paying the principal or interest on bonds issued by
the governing body and (ii) for all other purposes;

(e) A uniform summary of the proposed budget statement, including
each proprietary function fund included in a separate proprietary budget
statement prepared pursuant to the Municipal Proprietary Function Act,
and a grand total of all funds maintained by the governing body;

(f) For municipalities, a list of the proprietary functions which
are not included in the budget statement. Such proprietary functions
shall have a separate budget statement which is approved by the city
council or village board as provided in the Municipal Proprietary
Function Act; and

(g) For school districts and educational service units, a separate
identification and description of all current and future costs to the
school district or educational service unit which are reasonably
anticipated as a result of any contract, and any adopted amendments
thereto, for superintendent services to be rendered to such school
district or administrator services to be rendered to such educational
service unit.

(2) The actual or estimated unencumbered cash balance required to be
included in the budget statement by this section shall include deposits
and investments of the political subdivision as well as any funds held by
the county treasurer for the political subdivision and shall be
accurately stated on the proposed budget statement.

(3) The political subdivision shall correct any material errors in
the budget statement detected by the auditor or by other sources.

Sec. 2. Sections 1 and 3 of this act become operative on July 1, 2017. The other sections of this act become operative on their effective
date.

Sec. 3. Original section 13-504, Revised Statutes Cumulative
Supplement, 2016, is repealed.

Sec. 4. Since an emergency exists, this act takes effect when
passed and approved according to law.