

LEGISLATIVE BILL 492

Approved by the Governor March 19, 1975

Introduced by Wiltse, 1

AN ACT to amend sections 46-1008 and 46-1015, Reissue Revised Statutes of Nebraska, 1943, relating to rural water districts; to provide a presumption of legal organization; to change powers as prescribed; to change provisions relating to revenue bonds; and to repeal the original sections.

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

Section 1. That section 46-1008, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

46-1008. Every district incorporated under sections 46-1001 to 46-1020 shall have perpetual succession, subject to dissolution as provided by sections 46-1001 to 46-1020; shall in all cases be presumed to have been legally organized when it shall have exercised the franchises and privileges of a district for the term of one year; shall have the power of eminent domain to acquire land or interests in land within the district for the uses and purposes provided in this section; shall be empowered to sue and be sued; shall be capable of contracting and being contracted with; shall be authorized and empowered to hold such real and personal property as may come into its possession by will, gift, purchase, or otherwise, as authorized by law; shall have power to construct, install, maintain and operate such ponds, reservoirs, pipe lines, wells, check dams, pumping installations or other facilities for the storage, transportation or utilization of water and such appurtenant structures and equipment as may be necessary to carry out the purposes of its organization, and shall have power to cooperate with and enter into such agreements as deemed necessary with the Secretary of the United States Department of Agriculture or his duly authorized representative and shall have power to accept such financial or other aid which the Secretary of the United States Department of Agriculture is empowered to give pursuant to 16 United States Code, sections 590r, 590s, 590x-1, 590x-a and 590x-3, or amendments thereto, and shall have power to borrow money for the financing of ~~up--to--ninety-five--per--cent~~ of the cost of the construction or purchase of any project or projects necessary to carry out the purposes for which such district was organized and to execute notes and mortgages

in evidence thereof with interest, or combined interest and mortgage insurance charges; ~~7-not-to-exceed--six--per cent; Provided,~~ that any district shall have the same power to borrow money for the refinancing ~~of--up--to ninety-five-per-cent-of-the-original--cost~~ of any such project or projects. ~~The--balance--of--the--cost--of construction--shall--be--acquired--by--subscription, donation, gift--or--otherwise--than--through--the--medium--of--loans;~~

Any such loan may be secured by any or all of the physical assets owned by the district, including easements and rights-of-way; ~~Provided,~~ no district organized under sections 46-1001 to 46-1020 shall have any power or authority to levy any taxes whatsoever.

Sec. 2. That section 46-1015, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

46-1015. The board of directors of any water district shall have power to cause to be constructed within such district such works as are authorized by sections 46-1001 to 46-1020 and to issue revenue bonds therefor, which shall be exempt from taxation. Such bonds shall be self-liquidating out of the revenue to be derived by the district for its services and facilities, and shall be issued to mature in ~~installments--of approximately-equal-amounts-each-year~~ such installments as shall be determined by the board of directors of the district, and shall bear interest payable monthly, annually or semiannually. Such revenue bonds may also be issued to refund outstanding revenue bonds or notes or other evidences of indebtedness issued to pay costs of improvements for which bonds could be issued. Upon determining a schedule of benefit units and unit fees, the board shall cause a declaration of availability of such units for subscription to be entered in its minutes and any individual who fails to become a participating member within thirty days thereafter shall not be eligible to hold office as a director, nor shall any individual, firm, partnership, association or corporation which fails to become a participating member within ninety days after such declaration be qualified to participate at any meeting or vote at any election held thereafter unless such individual, firm, partnership, association or corporation shall thereafter become a participating member.

Sec. 3. That original sections 46-1008 and 46-1015, Reissue Revised Statutes of Nebraska, 1943, are repealed.