

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 529

Introduced by Hansen, B., 16.

Read first time January 17, 2023

Committee: Revenue

1 A BILL FOR AN ACT relating to the Property Tax Request Act; to amend
2 sections 77-1631 and 77-1633, Revised Statutes Cumulative
3 Supplement, 2022; to redefine a term; to change provisions relating
4 to joint public hearings for property tax request increases more
5 than the allowable growth percentage; and to repeal the original
6 sections.

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

1 Section 1. Section 77-1631, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 77-1631 For purposes of the Property Tax Request Act:

4 (1) Allowable growth percentage means a percentage equal to the sum
5 of (a) two percent plus (b) the political subdivision's real growth
6 percentage;

7 (2) Excess value means an amount equal to the assessed value of the
8 real property included in a tax increment financing project minus the
9 redevelopment project valuation for such real property;

10 (3) Property tax request means the total amount of property taxes
11 requested to be raised for a political subdivision through the levy
12 imposed pursuant to section 77-1601, excluding the amount to be levied
13 for the payment of principal or interest on bonds issued or authorized to
14 be issued by a school district;

15 (4) Real growth percentage means the percentage obtained by dividing
16 (a) the political subdivision's real growth value by (b) the political
17 subdivision's total real property valuation from the prior year;

18 (5) Real growth value means and includes:

19 (a) The increase in a political subdivision's real property
20 valuation from the prior year to the current year due to (i) improvements
21 to real property as a result of new construction and additions to
22 existing buildings, (ii) any other improvements to real property which
23 increase the value of such property, (iii) annexation of real property by
24 the political subdivision, and (iv) a change in the use of real property;
25 and

26 (b) The annual increase in the excess value for any tax increment
27 financing project located in the political subdivision;

28 (6) Redevelopment project valuation has the same meaning as in
29 section 18-2103; and

30 (7) Tax increment financing project means a redevelopment project as
31 defined in section 18-2103 that is financed through the division of taxes

1 as provided in section 18-2147.

2 Sec. 2. Section 77-1633, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 77-1633 (1) For purposes of this section, political subdivision
5 means any county, city, school district, or community college.

6 (2) If any political subdivision seeks to increase its property tax
7 request by more than the allowable growth percentage, such political
8 subdivision may do so if:

9 (a) A public hearing is held and notice of such hearing is provided
10 in compliance with subsection (3) of this section; and

11 (b) The governing body of such political subdivision passes a
12 resolution or an ordinance that complies with subsection (4) of this
13 section.

14 (3)(a) Each political subdivision within a county that seeks to
15 increase its property tax request by more than the allowable growth
16 percentage shall participate in a joint public hearing. Each such
17 political subdivision shall designate one representative to attend the
18 joint public hearing on behalf of the political subdivision. If a
19 political subdivision includes area in more than one county, the
20 political subdivision shall be deemed to be within the county in which
21 the political subdivision's principal headquarters are located. At such
22 hearing, there shall be no items on the agenda other than discussion on
23 each political subdivision's intent to increase its property tax request
24 by more than the allowable growth percentage.

25 (b) At least one elected official from each participating political
26 subdivision shall attend the joint public hearing. An elected official
27 may be the designated representative from a participating political
28 subdivision. The presence of a quorum or the participation of elected
29 officials at the joint public hearing does not violate the Open Meetings
30 Act.

31 (c) ~~(b)~~ The joint public hearing shall be held on or after September

1 ~~14~~ ~~17~~ and prior to September ~~24~~ ~~29~~ and before any of the participating
2 political subdivisions file their adopted budget statement pursuant to
3 section 13-508.

4 ~~(d)~~ ~~(e)~~ The joint public hearing shall be held after 6 p.m. local
5 time on the relevant date.

6 ~~(e)~~ ~~(d)~~ The joint public hearing shall be organized by the county
7 clerk or his or her designee. At the joint public hearing, the designated
8 representative of each political subdivision shall give a brief
9 presentation on the political subdivision's intent to increase its
10 property tax request by more than the allowable growth percentage and the
11 effect of such request on the political subdivision's budget. The
12 presentation shall include:

13 (i) The name of the political subdivision;

14 (ii) The amount of the property tax request; and

15 (iii) The following statements:

16 (A) The total assessed value of property differs from last year's
17 total assessed value by percent;

18 (B) The tax rate which would levy the same amount of property taxes
19 as last year, when multiplied by the new total assessed value of
20 property, would be \$..... per \$100 of assessed value;

21 (C) The (name of political subdivision) proposes to adopt a property
22 tax request that will cause its tax rate to be \$..... per \$100 of
23 assessed value;

24 (D) Based on the proposed property tax request and changes in other
25 revenue, the total operating budget of (name of political subdivision)
26 will exceed last year's by percent; and

27 (E) To obtain more information regarding the increase in the
28 property tax request, citizens may contact the (name of political
29 subdivision) at (telephone number and email address of political
30 subdivision).

31 ~~(f)~~ ~~(e)~~ Any member of the public shall be allowed to speak at the

1 joint public hearing and shall be given a reasonable amount of time to do
2 so.

3 ~~(g)~~ (f) Notice of the joint public hearing shall be provided:

4 (i) By sending a postcard to all affected property taxpayers. The
5 postcard shall be sent to the name and address to which the property tax
6 statement is mailed; and

7 (ii) By posting notice of the hearing on the home page of the
8 relevant county's website, except that this requirement shall only apply
9 if the county has a population of more than ten ~~twenty-five~~ thousand
10 inhabitants. ~~;~~ and

11 ~~(iii) By publishing notice of the hearing in a legal newspaper in or~~
12 ~~of general circulation in the relevant county.~~

13 (h) ~~(g)~~ Each political subdivision that participates in the joint
14 public hearing shall electronically send the information prescribed in
15 subdivision (3)(i) ~~(3)(h)~~ of this section to the county assessor ~~clerk~~ by
16 September 4 ~~5~~. The county clerk shall notify ~~transmit the information to~~
17 the county assessor of the date, time, and location of the joint public
18 hearing no later than September 4 ~~10~~. The county clerk shall notify each
19 participating political subdivision of the date, time, and location of
20 the joint public hearing. The county assessor shall send the information
21 required to be included on the postcards pursuant to subdivision (3)(i)
22 ~~(3)(h)~~ of this section to a printing service designated by the county
23 board. The initial cost for printing the postcards shall be paid from the
24 county general fund. Such postcards shall be mailed at least seven
25 calendar days before the joint public hearing. The cost of creating and
26 mailing the postcards, including staff time, materials, and postage,
27 shall be charged proportionately to the political subdivisions
28 participating in the joint public hearing based on the total number of
29 parcels in each participating political subdivision.

30 (i) ~~(h)~~ The postcard sent under this subsection and the notice
31 posted on the county's website, if required under subdivision (3)(g)(ii)

1 ~~(3)(f)(ii)~~ of this section, ~~and published in the newspaper~~ shall include
2 the date, time, and location for the joint public hearing, a listing of
3 and telephone number for each political subdivision that will be
4 participating in the joint public hearing, and the amount of each
5 participating political subdivision's property tax request. The postcard
6 shall also contain the following information:

7 (i) The following words in capitalized type at the top of the
8 postcard: NOTICE OF PROPOSED TAX INCREASE;

9 (ii) The name of the county that will hold the joint public hearing,
10 which shall appear directly underneath the capitalized words described in
11 subdivision ~~(3)(i)(i)~~ ~~(3)(h)(i)~~ of this section;

12 (iii) The following statement: The following political subdivisions
13 are proposing a revenue increase which would result in an overall
14 increase in property taxes in (insert current tax year). THE ACTUAL TAX
15 ON YOUR PROPERTY MAY INCREASE OR DECREASE. This notice contains estimates
16 of the tax on your property as a result of this revenue increase. These
17 estimates are calculated on the basis of the proposed (insert current tax
18 year) data. The actual tax on your property may vary from these
19 estimates.

20 (iv) The parcel number for the property;

21 (v) The name of the property owner and the address of the property;

22 (vi) The property's assessed value in the previous tax year;

23 (vii) The amount of property taxes due in the previous tax year for
24 each participating political subdivision;

25 (viii) The property's assessed value for the current tax year;

26 (ix) The amount of property taxes due for the current tax year for
27 each participating political subdivision;

28 (x) The change in the amount of property taxes due for each
29 participating political subdivision from the previous tax year to the
30 current tax year; and

31 (xi) The following statement: To obtain more information regarding

1 the tax increase, citizens may contact the political subdivision at the
2 telephone number provided in this notice.

3 (4) After the joint public hearing required in subsection (3) of
4 this section, the governing body of each participating political
5 subdivision shall pass an ordinance or resolution to set such political
6 subdivision's property tax request. If the political subdivision is
7 increasing its property tax request over the amount from the prior year,
8 including any increase in excess of the allowable growth percentage, then
9 such ordinance or resolution shall include, but not be limited to, the
10 following information:

11 (a) The name of the political subdivision;

12 (b) The amount of the property tax request;

13 (c) The following statements:

14 (i) The total assessed value of property differs from last year's
15 total assessed value by percent;

16 (ii) The tax rate which would levy the same amount of property taxes
17 as last year, when multiplied by the new total assessed value of
18 property, would be \$..... per \$100 of assessed value;

19 (iii) The (name of political subdivision) proposes to adopt a
20 property tax request that will cause its tax rate to be \$..... per \$100
21 of assessed value; and

22 (iv) Based on the proposed property tax request and changes in other
23 revenue, the total operating budget of (name of political subdivision)
24 will exceed last year's by percent; and

25 (d) The record vote of the governing body in passing such resolution
26 or ordinance.

27 (5) Any resolution or ordinance setting a property tax request under
28 this section shall be certified and forwarded to the county clerk on or
29 before October 15 of the year for which the tax request is to apply.

30 (6) The county clerk, or his or her designee, shall prepare a report
31 which shall include:

1 (a) ~~The the~~ names of the designated representatives of the political
2 subdivisions participating in the joint public hearing; ~~and~~

3 (b) ~~The the~~ name and address of each individual who spoke at the
4 joint public hearing, unless the address requirement is waived to protect
5 the security of the individual, and the name of any organization
6 represented by each such individual; -

7 (c) The name of each political subdivision that participated in the
8 joint public hearing;

9 (d) The real growth value and real growth percentage for each
10 participating political subdivision;

11 (e) The amount each participating political subdivision seeks to
12 increase its property tax request in excess of the allowable growth
13 percentage; and

14 (f) The number of individuals who signed in to attend the joint
15 public hearing.

16 Such report shall be delivered to the political subdivisions
17 participating in the joint public hearing within ten days after such
18 hearing.

19 Sec. 3. Original sections 77-1631 and 77-1633, Revised Statutes
20 Cumulative Supplement, 2022, are repealed.