

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 943**

Introduced by Wishart, 27.

Read first time January 09, 2018

Committee: Government, Military and Veterans Affairs

- 1 A BILL FOR AN ACT relating to budget limitations; to amend section
- 2 13-518, Revised Statutes Supplement, 2017; to redefine a term; to
- 3 provide an operative date; to repeal the original section; and to
- 4 declare an emergency.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-518, Revised Statutes Supplement, 2017, is  
2 amended to read:

3 13-518 For purposes of sections 13-518 to 13-522:

4 (1) Allowable growth means (a) for governmental units other than  
5 community colleges, the percentage increase in taxable valuation—~~in~~  
6 ~~excess of the base limitation established under section 77-3446~~, if any,  
7 due to improvements to real property as a result of new construction,  
8 additions to existing buildings, any improvements to real property which  
9 increase the value of such property, and any increase in valuation due to  
10 annexation and any personal property valuation over the prior year and  
11 (b) for community colleges, the percentage increase in excess of the base  
12 limitation established under section 77-3446, if any, in full-time  
13 equivalent students from the second year to the first year preceding the  
14 year for which the budget is being determined;

15 (2) Capital improvements means (a) acquisition of real property or  
16 (b) acquisition, construction, or extension of any improvements on real  
17 property;

18 (3) Governing body has the same meaning as in section 13-503;

19 (4) Governmental unit means every political subdivision which has  
20 authority to levy a property tax or authority to request levy authority  
21 under section 77-3443 except sanitary and improvement districts which  
22 have been in existence for five years or less and school districts;

23 (5) Qualified sinking fund means a fund or funds maintained  
24 separately from the general fund to pay for acquisition or replacement of  
25 tangible personal property with a useful life of five years or more which  
26 is to be undertaken in the future but is to be paid for in part or in  
27 total in advance using periodic payments into the fund. The term includes  
28 sinking funds under subdivision (13) of section 35-508 for firefighting  
29 and rescue equipment or apparatus;

30 (6) Restricted funds means (a) property tax, excluding any amounts  
31 refunded to taxpayers, (b) payments in lieu of property taxes, (c) local

1 option sales taxes, (d) motor vehicle taxes, (e) state aid, (f) transfers  
2 of surpluses from any user fee, permit fee, or regulatory fee if the fee  
3 surplus is transferred to fund a service or function not directly related  
4 to the fee and the costs of the activity funded from the fee, (g) any  
5 funds excluded from restricted funds for the prior year because they were  
6 budgeted for capital improvements but which were not spent and are not  
7 expected to be spent for capital improvements, (h) the tax provided in  
8 sections 77-27,223 to 77-27,227 beginning in the second fiscal year in  
9 which the county will receive a full year of receipts, and (i) any excess  
10 tax collections returned to the county under section 77-1776. Funds  
11 received pursuant to the nameplate capacity tax levied under section  
12 77-6203 for the first five years after a renewable energy generation  
13 facility has been commissioned are nonrestricted funds; and

14 (7) State aid means:

15 (a) For all governmental units, state aid paid pursuant to sections  
16 60-3,202 and 77-3523 and reimbursement provided pursuant to section  
17 77-1239;

18 (b) For municipalities, state aid to municipalities paid pursuant to  
19 sections 18-2605, 39-2501 to 39-2520, 60-3,190, and 77-27,139.04 and  
20 insurance premium tax paid to municipalities;

21 (c) For counties, state aid to counties paid pursuant to sections  
22 60-3,184 to 60-3,190, insurance premium tax paid to counties, and  
23 reimbursements to counties from funds appropriated pursuant to section  
24 29-3933;

25 (d) For community colleges, (i) for fiscal years 2010-11, 2011-12,  
26 and 2012-13, state aid to community colleges paid pursuant to section  
27 90-517 and (ii) for fiscal year 2013-14 and each fiscal year thereafter,  
28 state aid to community colleges paid pursuant to the Community College  
29 Aid Act;

30 (e) For educational service units, state aid appropriated under  
31 sections 79-1241.01 and 79-1241.03; and

1           (f) For local public health departments as defined in section  
2 71-1626, state aid as distributed under section 71-1628.08.

3           Sec. 2. This act becomes operative on July 1, 2018.

4           Sec. 3. Original section 13-518, Revised Statutes Supplement, 2017,  
5 is repealed.

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