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ENGROSSED LEGISLATIVE BILL 1114

Introduced by Urban Affairs Committee: McKinney, 11, Chairperson; Cavanaugh, J., 9; Quick, 35; Rountree, 3.

A BILL FOR AN ACT relating to the property; to amend sections 10-127, 10-131, 10-133, 10-134, 10-615, 10-1103, 10-1203, 13-402, 13-503, 13-803, 13-2503, 13-3309, 18-2108, 18-2123, 18-2123.01, 18-2705, 31-741, 32-1302, 77-1842, 77-1858, 77-1901, 77-1914, 77-1915, 77-1916, and 77-1917.01, Reissue Revised Statutes of Nebraska, sections 13-2202, 13-3304, 14-102, 18-2155, 31-735, 32-112.02, 32-404, 32-608, 32-1203, 71-1572, 77-15,169, and 77-3443, Revised Statutes Cumulative Supplement, 2024, and sections 13-518, 18-2102, 18-2103, 18-2147, 18-2709, 77-202, 77-1701, 77-1838, 77-1902, 77-1909, and 77-3442, Revised Statutes Supplement, 2025; to adopt the Community Improvement District Act and the New Taxpayer Recruitment Grant Act; to provide powers and duties relating to community improvement districts and trustees of community improvement districts; to define and redefine terms; to change provisions relating to the eligibility to create inland port districts, increase the number of inland port districts that may be created, and provide exemptions from taxation under the Municipal Inland Port Authority Act; to provide powers to cities of the metropolitan class to regulate housing authorities by ordinance; to change and eliminate provisions relating to legislative findings, the acquisition of real property, land outside the corporate limits of cities, the effective date for the division of taxes, and certain redevelopment plans receiving an expedited review under the Community Development Law; to authorize the use of economic development programs for certain construction or rehabilitation of housing under the Local Option Municipal Economic Development Act; to change provisions relating to the election of the board of trustees and contract bidding requirements for sanitary improvement districts; to change provisions and provide duties for certain housing agencies relating to pest control under the Nebraska Housing

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Agency Act; to authorize community improvement districts to levy a property tax as prescribed; to harmonize provisions; to provide operative dates; to repeal the original sections; and to declare an emergency.

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

Section 1. Sections 1 to 59 of this act shall be known and may be cited as the Community Improvement District Act.

Sec. 2. For purposes of the Community Improvement District Act:

(1) Administrator means the person appointed by the city council of the city or board of trustees of the village in which the community improvement district is located pursuant to section 42 of this act to manage the affairs of a community improvement district and to exercise the powers of the board of trustees during the period of the appointment to the extent prescribed in the Community Improvement District Act;

(2) Bond means an investment security under article 8, Uniform Commercial Code, in the form of a long-term, written promise to pay a specified sum of money, referred to as the face value or principal amount, at a specified maturity date or dates in the future, plus periodic interest at a specified rate;

(3) Capital outlay means expenditures for construction or reconstruction of major permanent facilities having an expected long life, including, but not limited to, public infrastructure improvements;

(4) Development means the original installation of any public improvements to the standards of the city or village zoning standards;

(5) Operation and maintenance expenses means and includes, but is not limited to, salaries, cost of materials and supplies for operation and maintenance of the community improvement district's facilities, cost of ordinary repairs, replacements, and alterations, cost of surety bonds and insurance, cost of audits and other fees, and taxes;

(6) Public infrastructure means any publicly owned electric service lines and conduits, gas service lines and conduits, sanitary sewer lines, sanitary sewer system improvements, storm sewer lines, storm sewer system improvements,

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flood control improvements, water lines, water system improvements, emergency management warning system improvements, sidewalks, roads, streets, highways, pedestrian walkways, skywalks, public spaces, public facilities, parks, playgrounds, recreational facilities, offstreet motor vehicle parking facilities, public waterways, docks, wharfs, rail lines, flood control systems, flood control improvements, and related appurtenances, whether owned or to be owned by the community improvement district or another political subdivision;

(7) Public waterways means artificially created boat channels dedicated to public use and providing access to navigable rivers or streams;

(8) Redevelopment means the reconstruction, rehabilitation, or original installation of public infrastructure as long as prior public infrastructure has been installed in the community improvement district even if such installation occurred prior to the formation of the community improvement district; and

(9) Warrant means an investment security under article 8, Uniform Commercial Code, in the form of a short-term, interest-bearing order payable on a specified date issued by the board of trustees or administrator of a community improvement district to be paid from funds available or expected to be received in the future, and includes, but is not limited to, property tax collections, special assessment collections, and proceeds of sale of bonds.

Sec. 3. (1)(a) A majority of the owners, as determined in subsection (5) of this section, having an interest in the real property within the limits of a proposed community improvement district, situated wholly within a village or city in this state at the time of approval pursuant to section 6 of this act, may propose formation of a community improvement district for the purpose of construction, installation, improvement, equipping, maintenance, and repair of public infrastructure in or related to such community improvement district, and contracting with the city or village in which the community improvement district is located or other political subdivisions of this state for any public purpose. The real property included within a community improvement district may be contiguous or noncontiguous.

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(b) Nothing in this section shall authorize community improvement districts to purchase electric service and resell the same.

(c) For the purposes listed in this section, such majority of the owners may make and sign articles of association in which shall be stated (i) the name of the community improvement district, (ii) that the community improvement district will have perpetual existence, (iii) the limits of the community improvement district, (iv) the name and place of residence of each owner of the land in the proposed community improvement district, (v) the description of the several tracts of land situated in the community improvement district owned by those who may organize the community improvement district, and (vi) the name and the description of the real estate owned by any such owner who does not join in the organization of the community improvement district but who will be benefited thereby. Such owners of real estate as are unknown may also be set out in the articles as such.

(d) No community improvement district may own or hold land in excess of ten acres, unless such land so owned and held by such community improvement district is actually used for a public purpose, as provided in this section, within three years after its acquisition. Any community improvement district which has acquired land in excess of ten acres in area and has not devoted the same to a public purpose, as set forth in this section, within three years after the date of its acquisition, shall devote the same to a use set forth in this section or shall divest itself of such land. When a community improvement district divests itself of land pursuant to this section, it shall do so by sale at public auction to the highest bidder after notice of such sale has been given by publication at least three times for three consecutive weeks prior to the date of sale in a legal newspaper of general circulation within the area of the community improvement district.

(2) The articles of association shall state:

(a) The proposed community improvement district proposes an aggregate maximum permitted levy rate for all purposes in an amount not to exceed ..... per $100 of taxable valuation in such community improvement

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district, to be deposited and held in the funds of the community improvement district and used for general corporate purposes, including payment of principal of and interest on any outstanding bonds, warrants, and other obligations of the community improvement district; and

(b) The owners of real estate so forming the community improvement district for such purposes are willing and obligate themselves to pay the tax or taxes which may be levied against all the property in the community improvement district and special assessments against the real property benefited which may be assessed against them to pay the expenses that may be necessary for the purposes of the community improvement district as authorized in subsection (1) of this section.

(3) The articles shall propose the names of five or more trustees who (a) live in the purposed community improvement district, (b) are owners of real estate located in the proposed community improvement district, or (c) are designees of the owners if the real estate is owned by a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust. The five trustees approved pursuant to section 6 of this act shall serve as a board of trustees until their successors are elected and qualified if such community improvement district is organized.

(4) After the articles are signed, the same shall be filed in the office of the clerk of the city or village in which such community improvement district shall be located together with a request that the city council of the city or board of trustees of the village in which such articles of association have been filed pass and approve an ordinance approving formation of such community improvement district pursuant to the Community Improvement District Act.

(5) For purposes of subsection (1) of this section, a majority of the owners having an interest in the real property in a proposed community improvement district is determined as follows:

(a) If the real property in a proposed community improvement district is

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currently zoned commercial or industrial, a majority of the owners is determined based on the number of acres owned in the proposed boundary of the community improvement district;

(b) If the real property in a proposed community improvement district is currently zoned residential, a majority of the owners is determined based on the majority of the number of residential lots or condominium units in the proposed boundary of the community improvement district, regardless of lot size;

(c) If the real property in a proposed community improvement district is currently zoned agricultural, majority means all real property owners; and

(d) If the real property in a proposed community improvement district is a combination of subdivisions (a) through (c) of this subsection, a majority of the owners is determined giving equal weight to each acre and each residential lot and must include all owners of agricultural land in the proposed boundary of the community improvement district.

Sec. 4. (1) Immediately after the articles of association and request for approval have been filed, as provided for by subsection (4) of section 3 of this act, the clerk of the city or village where the articles are filed shall schedule a hearing to be held within ninety days after the date of such filing by the city council or village board of trustees regarding formation of the proposed community improvement district and any objections to such formation.

(2) The city or village clerk shall publish a notice of association in a newspaper of general circulation in the city or village and in the proposed community improvement district in one publication at least sixty days prior to the date of such hearing and in the four weekly publications of such newspaper immediately preceding the date set for such hearing, which notice shall set forth the following:

(a) That the articles of association have been filed in the office of the city or village clerk and are available for inspection and the purpose thereof;

(b) The date and time of the hearing scheduled regarding formation of the proposed community improvement district and any objections thereto and that any

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written objections regarding such community improvement district shall be filed with the city or village clerk at least seven calendar days prior to the date of such hearing;

(c) A description of the real estate proposed to be included in the community improvement district and that the owner or owners of such real estate will be affected by formation of such community improvement district and rendered liable to taxation and special assessment in accordance with law and in addition to any other taxes or assessments of the city or village and other existing taxing entities, for the purpose of construction, installation, improvement, equipping, maintenance, and repair of public infrastructure in or related to such community improvement district, and contracting with the city or village in which the community improvement district is located or other political subdivisions of this state for any public purpose;

(d) The names of the proposed trustees;

(e) The proposed aggregate maximum permitted levy rate for all purposes, stated as an amount not to exceed ..... per $100 of taxable valuation in such community improvement district, to be deposited and held in the funds of the community improvement district and used for general corporate purposes, including payment of principal of and interest on any outstanding bonds, warrants, and other obligations of the community improvement district; and

(f) That application has been made to the city or village to declare to the district a community improvement district pursuant to the Community Improvement District Act.

(3) The city or village clerk shall mail a copy of such notice of association to the several owners of real estate in the proposed community improvement district who have not signed the articles of association. The notice shall be sent via certified mail service to the last-known address of each such owner no later than ten days after publishing the first notice of association, with a return receipt requested showing to whom and where the notice was delivered and the date of delivery.

Sec. 5. Any owner of real estate situated in the proposed community

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improvement district who has not signed the articles of association and who may object to the organization of the community improvement district or to any one or more of the proposed trustees shall, at least seven calendar days prior to the date of the hearing scheduled pursuant to subsection (1) of section 4 of this act, file any such objection in writing with the city or village clerk where the articles were filed, stating (1) why such community improvement district should not be organized and declared a public corporation in this state, (2) why the owner's real estate should not be embraced in the limits of such community improvement district, and (3) any objections to the proposed trustees.

Sec. 6. (1) The hearing with respect to such application and any objections scheduled pursuant to subsection (1) of section 4 of this act shall be held by the city council or village board of trustees on the date and time provided in the notice of association. At the conclusion of such hearing, subject to subsections (2) and (3) of this section, the city council or village board of trustees may pass an ordinance which (a) specifies the property included in the community improvement district, (b) names five trustees as the board of trustees of such community improvement district to serve until their successors are elected and qualified pursuant to the Community Improvement District Act, (c) specifies the maximum levy rate for all purposes stated as an amount not to exceed ..... per $100 of taxable valuation in such community improvement district, to be deposited and held in the funds of the community improvement district and used for general corporate purposes, including payment of principal of and interest on any outstanding bonds, warrants, and other obligations of the community improvement district, and (d) declares the community improvement district a duly formed political subdivision and community improvement district pursuant to the Community Improvement District Act. Such ordinance shall not be passed unless and until all property included in such proposed community improvement district is within the corporate limits of the city or village.

(2) If any objection to the formation of such community improvement

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district is filed by a property owner within the community improvement district who did not sign the articles of association, the application shall not be approved by the city council or village board of trustees unless (a) the boundaries are amended to remove the property owned by such objecting property owner or (b) the city council or village board of trustees determines that inclusion of such property within the community improvement district (i) is necessary to the public health or welfare of the community improvement district and the city or village, or (ii) is appropriate because such property will be specially benefited by public infrastructure improvements expected to be made by the community improvement district.

(3) In case of objection to any of the nominated trustees, the city council or village board of trustees may identify and name other suitable trustees to serve on the board of trustees of such community improvement district who shall be (a) owners of real estate located in the community improvement district or (b) designated to serve as representatives on the board of trustees if the real estate is owned by a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust.

Sec. 7. A community improvement district shall be a body corporate and politic by the name of Community Improvement District Number ..... of the (city or village) of ..... and shall have the power and authority to take and hold real and personal property necessary for its use, to levy property taxes, to make contracts, to sue and be sued, and to exercise any and all other powers, as a corporation, necessary to carry out the purposes of the Community Improvement District Act.

Sec. 8. Within forty-five days after a community improvement district has been declared a public corporation by the city council or village board of trustees, the clerk of the community improvement district shall transmit to the Secretary of State a certified copy of the record relating thereto, including a copy of the articles of association, and the same shall be filed in the office of the Secretary of State in the same manner as articles of incorporation are

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required to be filed under the general law concerning corporations. A copy of such record, including a copy of the articles of association and a plat of the community improvement district, shall also be filed in the office of the county clerk of the county in which the community improvement district, or any part thereof, is situated.

Sec. 9. (1) Within thirty days after the city council or village board of trustees has declared a community improvement district to be a public corporation, the trustees appointed upon formation shall meet and elect one of their number chairperson and one of their number clerk of the community improvement district.

(2) Except as otherwise provided, the board of trustees shall:

(a) Keep a record of all of its proceedings which shall be open to inspection by all owners of real estate in the community improvement district;

(b) Have the power to pass all necessary resolutions, orders, rules, and regulations for the necessary conduct of its business and to carry into effect the objects for which the community improvement district was formed; and

(c) Have the authority to appoint, employ, and pay accountants, attorneys, engineers, municipal advisors, underwriters, and such other professional or clerical help as may be needed, who shall each be removable at the pleasure of the board or administrator.

(3) Upon the appointment of an administrator for the community improvement district pursuant to sections 42 to 51 of this act, the authority of the trustees to exercise the powers granted in this section shall be suspended, except that the board shall continue in existence and the administrator shall periodically, but not less frequently than monthly, report to the board in writing on all decisions and actions taken by the administrator in managing the affairs of the community improvement district. The administrator shall, during the period of his or her appointment, possess exclusive authority to exercise the powers and duties conferred in the Community Improvement District Act.

Sec. 10. Within thirty days after the creation of a community improvement district, the clerk of the community improvement district shall file with the

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register of deeds, county clerk, and election commissioner, of each county or counties in which the community improvement district is located, a statement containing the following information: (1) The community improvement district number; (2) the outer boundaries of the community improvement district; (3) that the community improvement district has the power to levy a property tax and indicate the rate approved pursuant to section 6 of this act to pay its debt and its expenses of operation and maintenance; (4) that the community improvement district may levy special assessments on property in the community improvement district to the full extent of special benefits arising by reason of development improvements installed by the community improvement district; (5) that the annual budget of the community improvement district is filed with the Auditor of Public Accounts, which budget shows the anticipated revenue and expenses, tax levy, and indebtedness of the community improvement district; (6) that the actual current tax levy amount of the community improvement district may be obtained from each county in which the community improvement district is located; and (7) that a copy of the annual financial audit of the community improvement district is on file with the clerk of the community improvement district and the Auditor of Public Accounts. Such statement shall be supplemented and refiled to indicate any land added to or removed from the community improvement district after the original filing.

Sec. 11. The chairperson and clerk or administrator of any community improvement district shall, upon assuming his or her respective office, execute and file with the city or village clerk of the city or village in which such community improvement district is located, a bond, with one or more sureties, to be approved by the city or village clerk, running to the State of Nebraska in the penal sum of five thousand dollars for the chairperson, twenty thousand dollars for the clerk, and twenty thousand dollars for the administrator, conditioned for the faithful performance of their official duties and the faithful accounting by them for all funds and property of the community improvement district that shall come into their possession or control during their term of office. The premium, if any, on any such bond shall be paid out

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of the funds of the community improvement district. Suit may be brought on such bonds by any person, firm, or corporation that has sustained loss or damage in consequence of the breach thereof.

Sec. 12. (1) Except as provided in subsection (5) of section 84-1411, the clerk or administrator of each community improvement district shall notify the city or village where such district is located of all meetings of the community improvement district board of trustees or called by the administrator by sending a notice of such meeting to the clerk of the city or village not less than seven days prior to the date set for any meeting. In the case of meetings called by the administrator, notice shall be provided to the clerk of the community improvement district not less than seven days prior to the date set for any meeting.

(2) Except as provided in subsection (5) of section 84-1411, within the timeframe required by subsection (3) of section 84-1413, after any meeting of a community improvement district board of trustees or called by the administrator, the clerk or administrator of the community improvement district shall transmit to the city or village where the community improvement district is located a copy of the minutes of such meeting.

Sec. 13. (1)(a) On or before December 31 of each year, the clerk of each community improvement district shall file with the register of deeds or the clerk of the city or village in which the community improvement district is located a statement updated each December 31 containing the following information:

(i) The names of the members of the current board of trustees of the community improvement district;

(ii) The names of the following if applicable: Current attorney, accountant, engineer, underwriter, and municipal advisor of the community improvement district;

(iii) The warrant and the bond principal indebtedness of the community improvement district as of the preceding June 30. Such statement shall contain an acknowledgment that the warrant and indebtedness are reflective of such

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date; and

(iv) The current tax levy of the community improvement district, as described in section 21 of this act, as of December 31.

(b) For any late filing of the statement, the community improvement district shall be assessed a late fee of ten dollars per day by the register of deeds or the clerk of the city or village, not to exceed a total of three hundred dollars for each late filing.

(2) The real estate broker or salesperson or, if none, the owner of the real estate shall distribute the most recent statement filed in accordance with this section to any prospective purchaser of any real estate located within a community improvement district.

(3) The real estate broker or salesperson or, if none, the owner shall obtain an acknowledgment from any purchaser of any real estate located within a community improvement district that the purchaser understands the property is located within a community improvement district. Such acknowledgment may be obtained separately from the disclosure required under section 76-2,120.

(4) The statement shall be distributed and the acknowledgment obtained on or before the date on which the purchaser becomes obligated to purchase such real estate. The exclusive remedy for failure to provide such statements and obtain such acknowledgments shall be an action for damages, and any such failure shall not affect title to the real estate or the validity of the conveyance.

Sec. 14. (1)(a) On the first Tuesday after the second Monday in September which is at least fifteen months after the city council or village board of trustees passes the ordinance creating a community improvement district and on the first Tuesday after the second Monday in September each two years thereafter, the board of trustees shall cause a special election to be held, at which election a board of trustees shall be elected. The board of trustees shall have five members except as provided in subsection (2) of this section. Each member elected to the board of trustees shall be elected to a term of two years and shall hold office until such member's successor is elected and

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qualified. Any person desiring to file for the office of trustee may file for such office with the election commissioner or county clerk of the county in which the greater proportion in area of the community improvement district is located not later than fifty days before the election. If such person will serve on the board of trustees as a designated representative of a limited partnership, general partnership, limited liability company, public, private, or municipal corporation, estate, or trust which owns real estate in the community improvement district, the filing shall indicate that fact and shall include appropriate documentation evidencing such fact. No filing fee shall be required. A person filing for the office of trustee to be elected at the election held six years after the first election of trustees and each election thereafter shall designate whether such person is a candidate for election by the resident owners of such community improvement district or a candidate for election by all of the owners of real estate located in the community improvement district. If a person filing for the office of trustee is a designated representative of a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust which owns real estate in the community improvement district, the name of such entity shall accompany the name of the candidate on the ballot in the following form: (Name of candidate) to represent (name of entity) as a member of the board. The name of each candidate shall appear on only one ballot.

(b) The name of a person may be written in and voted for as a candidate for the office of trustee, and such write-in candidate may be elected to the office of trustee. A write-in candidate for the office of trustee who will serve as a designated representative of a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust which owns real estate in the community improvement district shall not be elected to the office of trustee unless (i) each vote is accompanied by the name of the entity which the candidate will represent and (ii) within ten days after the date of the election the candidate

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provides the election commissioner or county clerk with appropriate documentation evidencing the candidate's representation of the entity. Votes cast which do not carry such accompanying designation shall not be counted.

(c) A trustee shall be an owner of real estate located in the community improvement district or shall be a person designated to serve as a representative on the board of trustees if the real estate is owned by a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust. Notice of the date of the election shall be mailed by the clerk of the community improvement district not later than sixty-five days prior to the election to each person who is entitled to vote at the election for trustees whose property ownership or lease giving a right to vote is of record on the records of the register of deeds as of a date designated by the election commissioner or county clerk, which date shall be not more than eighty days prior to the election.

(2)(a) For any community improvement district, a person whose ownership or right to vote becomes of record or is received after the date specified pursuant to subsection (1) of this section may vote when such person establishes the right to vote to the satisfaction of the election board appointed pursuant to section 15 of this act. At the first election and at the election held two years after the first election, any person may cast one vote for each trustee for each acre of unplatted land or fraction thereof and one vote for each platted lot which such person may own in the community improvement district.

(b) This subdivision applies to a community improvement district until the board of trustees amends its articles of association pursuant to subdivision (2)(d) of this section. At the election held six years after the first election of trustees, two members of the board of trustees shall be elected by the legal property owners resident within such community improvement district and three members shall be elected by all of the owners of real estate located in the community improvement district pursuant to this section. Every resident property owner may cast one vote for a candidate for each office of trustee to

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be filled by election of resident property owners only. Such resident property owners may also each cast one vote for each acre of unplatted land or fraction thereof and for each platted lot owned within the community improvement district for a candidate for each office of trustee to be filled by election of all property owners. For each office of trustee to be filled by election of all property owners of the community improvement district, every legal property owner not resident within such community improvement district may cast one vote for each acre of unplatted land or fraction thereof and one vote for each platted lot which such legal property owner owns in the community improvement district. At the election held eight years after the first election of trustees and at each election thereafter, three members of the board of trustees shall be elected by the legal property owners resident within such community improvement district and two members shall be elected by all of the owners of real estate located in the community improvement district pursuant to this section. If there are not any legal property owners resident within such community improvement district or if not less than ninety percent of the area of the community improvement district is owned for other than residential uses, the five members shall be elected by the legal property owners of all property within such community improvement district as provided in this section.

(c) Any public, private, or municipal corporation owning any land or lot in the community improvement district may vote at an election the same as an individual. If more than fifty percent of the homes in any community improvement district are used as a second, seasonal, or recreational residence, the owners of such property shall be considered legal property owners resident within such community improvement district for purposes of electing trustees. For purposes of voting for trustees, each condominium apartment under a condominium property regime established under the Nebraska Condominium Act shall be deemed to be a platted lot and the lessee or the owner of the lessee's interest, under any lease for an initial term of not less than twenty years which requires the lessee to pay taxes and special assessments levied on the leased property, shall be deemed to be the owner of the property so leased and

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entitled to cast the vote of such property. When ownership of a platted lot or unplatted land is held jointly by two or more persons, whether as joint tenants, tenants in common, limited partners, members of a limited liability company, or any other form of joint ownership, only one person shall be entitled to cast the vote of such property. The executor, administrator, guardian, or trustee of any person or estate interested shall have the right to vote. No corporation, estate, or irrevocable trust shall be deemed to be a resident owner for purposes of voting for trustees. Should two or more persons or officials claim the right to vote on the same tract, the election board appointed pursuant to section 15 of this act shall determine the party entitled to vote.

(d) For any community improvement district which has been in existence for at least ten years, which has less than seventy property owners entitled to vote for trustees, which has at least two resident property owners, and in which less than ten percent of the area of the community improvement district is owned for other than residential uses, the board of trustees may amend its articles of association as provided in section 23 of this act to provide for a reduction in the number of trustees on the board from five members to three members to be effective at the beginning of the term of office for the board of trustees elected at the next election. At the next election and at each election thereafter, two members of the board of trustees shall be elected by the legal property owners resident within such community improvement district and one member shall be elected by all of the owners of real estate located in the community improvement district pursuant to this section. Every resident property owner may cast one vote for a candidate for each office of trustee to be filled by election of resident property owners only. Such resident property owners may also each cast one vote for each acre of unplatted land or fraction thereof and for each platted lot owned within the community improvement district for a candidate for the office of trustee to be filled by election of all property owners. For the office of trustee to be filled by election of all property owners of the community improvement district, every legal property

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owner not resident within such community improvement district may cast one vote for each acre of unplatted land or fraction thereof and one vote for each platted lot which such legal property owner owns in the community improvement district.

(3) The election commissioner or county clerk shall hold any election required by subsection (1) of this section by sealed mail ballot by notifying the board of trustees on or before July 1 of a given year. The election commissioner or county clerk shall, at least twenty days prior to the election, mail a ballot and return envelope to each person who is entitled to vote at the election and whose property ownership or lease giving a right to vote is of record with the register of deeds as of the date designated by the election commissioner or county clerk, which date shall not be more than eighty days prior to the election. The ballot and return envelope shall include: (a) The names and addresses of the candidates; (b) room for write-in candidates; and (c) instructions on how to vote and return the ballot. Such ballots shall be returned in the return envelope to the election commissioner or county clerk no later than 5 p.m. on the date set for the election. If the ballot is not returned in the return envelope, such ballot shall not be counted. If more than one ballot is included in the same return envelope, such ballots shall not be counted and shall be reinserted into the return envelope which shall be resealed and marked rejected.

Sec. 15. (1)(a) At any election held to elect trustees of a community improvement district, the ballots shall be received, counted, and canvassed by an election board of two or more persons appointed by the election commissioner or county clerk.

(b) Such board shall select one of their number as chairperson and one of their number as clerk. In case of a vacancy on such board, a new member shall be appointed pursuant to subdivision (a) of this subsection.

(2) For any community improvement district, the election commissioner or county clerk shall certify the results of the election to the community improvement district.

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(3) If an election is contested involving a community improvement district board of trustees, the Election Act shall apply.

Sec. 16. Not later than June first of each year, the election commissioner or county clerk shall determine which community improvement districts in the county are required to hold elections in such year and shall so notify the clerk of each such community improvement district on or before July first of such year. The entire costs of conducting the election shall be borne by the community improvement district holding the election, and such costs shall include all expenses such as procuring a list of the property owners of record in each such community improvement district, printing and mailing notices of the elections to such property owners, printing, preparing, and mailing ballots, paying compensation and mileage for the election boards conducting such elections, and also indirect expenses, such as the pro rata amount of any additional clerical expense or other miscellaneous expenses to be incurred by the election commissioner or county clerk in conducting all of such elections to be held in such calendar year. Within sixty days after the elections have been held, each community improvement district shall be charged and billed for all of the actual expenses incurred by the election commissioner or county clerk attributable to such community improvement district. Payment of the total amount billed to the community improvement district shall be in currency and made by the attorney for the community improvement district to the election commissioner or county clerk within sixty days after receipt of such billing.

Sec. 17. Notwithstanding the appointment of an administrator for any community improvement district pursuant to sections 42 to 51 of this act, special elections shall be held for the election of members of the board of trustees for such community improvement district in the same manner and at the same time as such elections would be held under sections 14 and 15 of this act. In a community improvement district for which such an administrator has been appointed when the board of trustees of such community improvement district is not functioning, the administrator shall cause a special election of trustees

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to be held within sixty days after the issuance of a certificate of appointment of such administrator, at which election a board of trustees shall be elected to a term of office which shall expire on the first Tuesday of the second September following the appointment of such administrator. The board of trustees shall have five members unless the board has amended its articles of association to decrease the number of trustees on the board to three members pursuant to subdivision (2)(d) of section 14 of this act.

Sec. 18. A community improvement district may acquire by purchase, condemnation, or otherwise, real or personal property, right-of-way, and privilege, within or without its corporate limits, necessary for its corporate purposes. Such acquisition by the community improvement district may be effected only after approval by the city or village having zoning jurisdiction over such property. The approval of plans and specifications for the public improvement or project, or the approval of plans and exact costs for public parks, playgrounds, and recreational facilities, as required by section 22 of this act, shall be deemed to be approval for the acquisition by the community improvement district of such fee title, easements, or other interests in such property as may be required for the public improvement or project.

Sec. 19. Subject to the limitations related to state property set out in subsection (2) of section 20 of this act, whenever the board of trustees or administrator of any community improvement district shall by order determine to make any public improvement under the provisions of the Community Improvement District Act which shall require that private property be taken or damaged, the community improvement district may exercise the power of eminent domain. The procedure to condemn property shall be exercised in the manner set forth in sections 76-704 to 76-724. Such taking by the community improvement district may be effected only after approval by the city or village having any zoning jurisdiction over such property.

Sec. 20. (1) Whenever it shall be necessary, in making any improvement under the provisions of the Community Improvement District Act, to enter upon or cross any state or public lands, the community improvement district shall

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have the right to acquire a right-of-way across the same by the exercise of the power of eminent domain.

(2) The power of eminent domain provided under the Community Improvement District Act does not extend to the following:

(a) The facilities, assets, or services of a jurisdictional utility as defined in section 66-1802; and

(b) The condemnation of property rights of a state highway or state-owned property or facility. Any proposed changes in a community improvement district to a state highway or state-owned property shall not be the responsibility of the state and shall be paid for by the developer or the city or village. The board of trustees or administrator of the community improvement district shall coordinate with the Department of Transportation for highways, or the applicable state agency for other state-owned property, concerning the proposed revisions to these properties in the community improvement district, and all concerns raised by the state shall be resolved or addressed by the board of trustees or administrator of the community improvement district in a manner acceptable to the state.

Sec. 21. (1) The community improvement district shall have the power to annually levy a tax on the taxable value of the taxable property in the community improvement district at an aggregate rate not to exceed the levy rate specified in the articles of organization and approved by ordinance of the city or village pursuant to section 6 of this act, the proceeds of which shall be deposited to and held in the general fund, bond fund, or other fund or account established as determined by the board of trustees of such community improvement district, and used for payment of bonds and warrants, and other general corporate purposes of the community improvement district as permitted by the Community Improvement District Act.

(2) The county treasurer of the county in which the greater portion of the area of the community improvement district is located shall be ex officio treasurer of the community improvement district and shall be responsible for all funds of the community improvement district coming into his or her hands.

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As treasurer of the community improvement district he or she shall (a) establish such funds and accounts on behalf of the community improvement district as he or she determines necessary or appropriate at the direction of the board of trustees of the community improvement district and (b) collect all taxes and special assessments levied by the community improvement district and deposit the same in the appropriate funds and accounts of the community improvement district for the payment of principal and interest on any bonds, warrants, and other obligations outstanding and for general corporate purposes of the community improvement district, all in accordance with action of the board of trustees of the community improvement district.

(3) The treasurer of the community improvement district shall not be responsible for funds of the community improvement district until they are received by him or her. The treasurer of the community improvement district shall disburse the funds of the community improvement district upon the direction of the trustees or the administrator and signed by the chairperson and clerk of the community improvement district or the administrator, including issuance of warrants and other action of the board of trustees.

Sec. 22. (1) The board of trustees or the administrator of any community improvement district organized under the Community Improvement District Act shall have power to:

(a) Construct, install, improve, equip, maintain, and repair public infrastructure in or related to such community improvement district; and

(b) Contract with the city or village or other political subdivision in which such community improvement district is located for any public purpose of such community improvement district, city or village, or other political subdivision.

(2) Prior to the installation of any of the public infrastructure or entering into a contract for any capital improvement with another political subdivision, the plans or contracts for such improvements or services and estimated costs shall be approved by the city or village in which the community improvement district is located. The community improvement district shall

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obtain approval of such plans for such improvements, and any changes thereto, from the city or village in which the community improvement district is located, and such city or village shall enforce compliance with such plans by action in equity.

(3)(a) Each community improvement district shall have the books of account kept by the board of trustees of the community improvement district examined and audited by a certified public accountant or a public accountant for the year ending June 30 and shall file a copy of the audit with the office of the Auditor of Public Accounts by December 31 of the same year. Such audits may be waived by the Auditor of Public Accounts upon proper showing by the community improvement district that the audit is unnecessary. Such examination and audit shall show the following:

(i) The gross income of the community improvement district from all sources for the previous year;

(ii) The amount expended each year for (A) maintenance and repairs, (B) new equipment, (C) new construction work, and (D) property purchased;

(iii) A detailed statement of all items of expense;

(iv) The total amount of taxes levied upon the property within the community improvement district; and

(v) All other facts necessary to give an accurate and comprehensive view of the cost of carrying on the activities and work of such community improvement district.

(b) The reports of all audits provided for in this subsection shall be and remain a part of the public records in the office of the Auditor of Public Accounts. The expense of such audits shall be paid out of the funds of the community improvement district. The Auditor of Public Accounts shall be given access to all books and papers, contracts, minutes, bonds, and other documents and memoranda of every kind and character of such community improvement district and be furnished all additional information possessed by any present or past officer or employee of any such community improvement district, or by any other person, that is essential to the making of a comprehensive and

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correct audit.

(4) If any community improvement district fails or refuses to cause such annual audit to be made of all of its functions, activities, and transactions for the fiscal year within a period of six months following the close of such fiscal year, unless such audit has been waived, the Auditor of Public Accounts may, after due notice and a hearing to show cause by such community improvement district, conduct an audit of the community improvement district pursuant to section 84-304 or assess the community improvement district a fee pursuant to subsection (2) of section 84-304.01.

(5) Whenever the sanitary sewer system or any part thereof of a community improvement district is directly or indirectly connected to the sewerage system of any city or village, such city or village, without enacting an ordinance or adopting any resolution for such purpose, may collect such city's or village's applicable rental or use charge from the users in the community improvement district and from the owners of the property served within the community improvement district. The charges of such city or village shall be charged to each property served by the city or village sewerage system, shall be a lien upon the property served, and may be collected from the owner or the person, firm, or corporation using the service. If the city's or village's applicable rental or service charge is not paid when due, such sum may be recovered by the city or village in a civil action or it may be assessed against the premises served as a special assessment and may be assessed by such city or village and collected and returned in the same manner as other municipal special assessments are enforced and collected. When any such assessment is levied, it shall be the duty of the city or village clerk to deliver a certified copy of the ordinance to the county treasurer of the county in which the premises assessed are located and such county treasurer shall collect the assessment as provided by law and return the assessment to the city or village treasurer. Funds of such city or village raised from such charges shall be used by it in accordance with laws applicable to its sewer service rental or charges. The governing body of any city or village may make all necessary rules and

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regulations governing the direct or indirect use of its sewerage system by any user and premises within any community improvement district and may establish just and equitable rates or charges to be paid to such city or village for use of any of its disposal plants and sewerage system. The board of trustees may, in connection with the issuance of any warrants or bonds of the community improvement district, agree to make a specified minimum levy on taxable property in the community improvement district to pay, or to provide a sinking fund to pay, principal and interest on warrants and bonds of the community improvement district for such number of years as the board may establish at the time of making such agreement and may agree to enforce, by foreclosure or otherwise as permitted by applicable laws, the collection of special assessments levied by the community improvement district. Such agreements may contain provisions granting to creditors and others the right to enforce and carry out the agreements on behalf of the community improvement district and its creditors.

(6) The board of trustees or administrator shall have power to sell and convey real and personal property of the community improvement district on such terms as it or he or she shall determine, except that real estate shall be sold to the highest bidder at public auction after notice of the time and place of the sale has been published for three consecutive weeks prior to the sale in a newspaper of general circulation in the city or village. The board of trustees or administrator may reject such bids and negotiate a sale at a price higher than the highest bid at the public auction at such terms as may be agreed.

(7) A community improvement district shall be subject to all regulatory authority, zoning jurisdiction, and other jurisdictional provision of the city or village in which such community improvement district is located. Each community improvement district shall have and the board of trustees may exercise, subject to the regulatory jurisdiction and permitting authority of such city or village and all other applicable governing bodies and agencies having authority with respect to any area included in the community improvement district, the powers relating to public infrastructure and other improvements

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provided in this section and authorized by the Community Improvement District Act.

Sec. 23. Whenever a majority of the board of trustees shall deem it advisable to amend the articles of association of the community improvement district to change the maximum permitted levy rate, and after a proposed amendment to the articles of association has been signed by a majority of the owners having an interest in the real property within the limits of the community improvement district, the community improvement district clerk shall file an application for such amendment with the city or village clerk with a request that the maximum permitted levy rate be changed, all in the same manner as approval of the initial articles of association pursuant to the Community Improvement District Act. The city or village clerk shall process any such request in the same manner as an initial application for approval of articles of association, shall schedule a hearing, publish notices, and mail notices to any owner of property in the community improvement district who did not sign the proposed amendment, and such city council or village board of trustees may approve the proposed amendment by ordinance in a similar manner to the initial articles of association as provided in section 6 of this act.

Sec. 24. All contracts for construction work to be done or materials or equipment purchased, the expense of which is more than fifty thousand dollars, shall be let to the lowest responsible bidder, upon notice of not less than twenty days, of the terms and conditions of the contract to be let. The board of trustees or the administrator shall have the power to reject any and all bids and readvertise for the letting of such work or to negotiate any contract after an unsuccessful public letting.

Sec. 25. (1) Whenever the board of trustees or the administrator deems it advisable or necessary to build, reconstruct, purchase, or otherwise acquire public infrastructure improvements or to incur other costs permitted by the Community Improvement District Act, the board of trustees shall declare the advisability and necessity therefor in a proposed resolution.

(2) Such proposed resolution of necessity shall refer to the plans and

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specifications for the proposed improvements, proposed agreements or contracts, together with the estimated cost thereof which have been made and filed with the community improvement district clerk before the publication of such resolution. The proposed resolution shall state the amount of such estimated cost.

(3) Except as provided in subsection (4) of this section, the board of trustees or the administrator may assess, to the extent of special benefits, the cost of such improvements upon properties specially benefited thereby. The resolution shall state the outer boundaries of the area within the community improvement district in which it is proposed to make special assessments.

(4) Notwithstanding anything to the contrary in the Community Improvement District Act, a community improvement district shall not specially assess the cost of public infrastructure for redevelopment unless and until such community improvement district has obtained prior approval by resolution of the city council or village board of trustees.

Sec. 26. (1) Notice of the time and place, which place shall be in the city or village where the community improvement district is organized, when any resolution proposed under section 25 of this act shall be set for consideration before the board of trustees or the administrator, shall be given the same day each week two consecutive weeks in a newspaper of general circulation published in the city or village where the community improvement district was organized, which publication shall contain the entire wording of the proposed resolution. The last publication shall not be less than five days nor more than two weeks prior to the time set for hearing on objections to the adoption of any such proposed resolution, at which hearing the owners of the property which might become subject to assessment for the contemplated improvement may appear and make objections to the proposed improvement. Thereupon the resolution may be amended and adopted or adopted as proposed.

(2) If a petition opposing the proposed resolution, signed by property owners representing a majority of the front footage which may become subject to assessment for the cost of any improvements as set forth by the proposed

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resolution, is filed with the clerk of the community improvement district within three days before the date of the meeting for the hearing on such proposed resolution, such proposed resolution shall not be adopted.

Sec. 27. Upon compliance with sections 25 and 26 of this act, the board of trustees or the administrator may by resolution order the contracting, making, reconstruction, purchase, or otherwise acquiring of any of the improvements provided for in the Community Improvement District Act.

Sec. 28. After ordering any such improvements, other than payment of contracts to other political subdivisions, as provided in the Community Improvement District Act, the board of trustees or the administrator may enter into a contract for the construction of such improvement in one or more contracts, but no work shall be done or contract let until notice to contractors has been published in a legal newspaper of general circulation in the city or village where the community improvement district is organized. The notice shall be published the same day each week two consecutive weeks in such newspaper and shall generally state (1) the extent of the work, (2) the kinds of material to be bid upon, including in such notice all kinds of material mentioned in the resolution as provided in section 25 of this act, (3) the amount of the engineer's estimate of the cost of such improvements, (4) the time when bids will be received, and (5) the amount of the certified check or bid bond required to accompany the bids. Each bid shall be accompanied in a separate sealed envelope by a certified check or bid bond in an amount to be named in the notice, which amount shall be not less than five percent of the engineer's total estimate of the cost, and shall be made payable to the treasurer of the community improvement district as security that the bidder to whom the contract may be awarded will enter into a contract to build the improvements in accordance with the notice to contractors and give bond in the sum named in such notice for the construction of such improvements as the notice required. Checks or bonds accompanying bids not accepted shall be returned to the bidders. The work provided for in this section shall be done under written contract with the lowest responsible bidder on the material

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selected after the bids are opened and in accordance with the requirements of the plans and specifications. The board of trustees or the administrator may reject any or all bids received and advertise for new bids in accordance with this section.

Sec. 29. If the contractor has furnished the community improvement district all required records and reports, the community improvement district shall pay the contractor interest at the rate specified in section 39-1349, as such rate may from time to time be adjusted by the Legislature, on any contract amount retained and the final payment due the contractor beginning twenty days after completion of the work covered by the contract under section 28 of this act. The contractor shall notify the community improvement district in writing that the work has been completed and the community improvement district, within twenty days after receipt of such notice, shall give written notice to the contractor of any objections by the community improvement district to acceptance of the work.

Sec. 30. (1) After the completion of any work or purchase, the engineer shall file with the clerk of the community improvement district, and the clerk of the city or village, a certificate of acceptance. Such work or purchase shall be considered accepted only after approval by the city or village, and then by the board of trustees or the administrator by resolution.

(2) Upon approval of the certificate of acceptance, if the board of trustees determines special assessments are to be levied, the board of trustees or administrator shall require the engineer to make a complete statement of all the costs of any such improvements, a plat of the property in the community improvement district, and a schedule of the amount proposed to be assessed against each separate piece of property in such community improvement district. The statement, plat, and schedule shall be filed with the clerk of the community improvement district within sixty days after the date of acceptance.

(3) The board of trustees or administrator shall set a time and place for a hearing on the proposed assessments as provided in subsection (6) of this section, then order the clerk of the community improvement district to give

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notice of such hearing and that such statement, plat, and schedules are on file in his or her office and that all objections thereto or to prior proceedings on account of errors, irregularities, or inequalities not made in writing and filed with the clerk of the community improvement district within twenty days after the first publication of such notice shall be deemed to have been waived. Such notice shall be given by publication the same day each week two consecutive weeks in a newspaper of general circulation published in the city or village where the community improvement district was organized. Such notice shall state the time and place where any objections, filed as provided in this section, shall be considered by the board of trustees or administrator.

(4) The cost of such improvements in the community improvement district shall be levied as special assessments to the extent of special benefits to the property. The complete statement of costs and the schedule of proposed special assessments for such improvements shall be given to the city or village where such community improvement district is located within seven days after the first publication of notice of statement, plat, and schedules. The city or village shall have the right to be heard, and shall have the right of appeal from a final determination by the board of trustees or administrator against objections which such city or village has filed.

(5) Notice of the proposed special assessments for such improvements against each separate piece of property shall be given to each owner of record thereof within five days after the first publication of notice of statement, plat, and schedules and, within five days after the first publication of such notice, a copy thereof, along with statements of costs and schedules of proposed special assessments, shall be given to each person or company who, pursuant to written contract with the community improvement district, has acted as underwriter or municipal advisor for the community improvement district in connection with the sale or placement of warrants or bonds issued by the community improvement district. Each owner shall have the right to be heard and shall have the right of appeal from the final determination made by the board of trustees or administrator.

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(6) The hearing on the proposed assessment shall be held by the board of trustees or the administrator sitting as a board of adjustment and equalization at the time and place specified in such notice and not less than twenty days nor more than thirty days after the date of the first publication, unless such session be adjourned, with provisions for proper notice of such adjournment. At such meeting, the proposed assessments shall be adjusted and equalized with reference to benefits resulting from the improvement and shall not exceed such benefits.

Sec. 31. Any person or any city or village aggrieved may appeal to the district court by filing a petition within twenty days after the final determination under section 30 of this act. The court shall hear and determine the appeal in a summary manner as in equity, without a jury, and shall increase or reduce the special assessments as necessary to ensure that the special assessments are in the full amount of the special benefits and that the apportionment of benefits is equitable.

Sec. 32. (1) After the equalization of such special assessments as required by the Community Improvement District Act, such special assessments shall be levied by the board of trustees or the administrator upon all lots or parcels of ground within the community improvement district which are benefited by reason of such improvement, such levy to be made within six months after acceptance of the improvement by the board of trustees or the administrator. Failure to levy assessments within such six-month period shall not invalidate assessments made after the six-month period. Such special assessments may be relevied, if for any reason the levy thereof is void or not enforceable. Such levy shall be enforced as other special assessments and any payments thereof under previous levies shall be credited to the person or property making the same. Not less than eleven and not more than twenty days after the levying of any special assessment, the clerk of the community improvement district shall certify such levy to the county treasurer and county clerk of the county.

(2) If a notice of appeal from such levy has been filed with the clerk of the community improvement district, he or she shall note on the certificate of

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levy that an appeal has been commenced and that the amounts of the assessments are subject to redetermination pursuant to the appeal. All receipts given by the county treasurer for special assessments as to which an appeal is pending shall show thereon that the special assessment amount is subject to redetermination by the appeal. Upon termination of any appeal, the clerk of the community improvement district shall so certify to the county clerk and county treasurer. All assessments made for such purposes shall be collected in the same manner as general taxes and shall be subject to the same penalties or may be collected pursuant to section 77-1917.01.

Sec. 33. (1) The board of trustees or the administrator shall not cause the following property to be assessed for any of the improvements provided for in the Community Improvement District Act: (a) Property by law not assessable, (b) property not included within the area defined in the preliminary resolution, and (c) property not benefited.

(2) The exemption in subsection (1) of this section does not apply if the exempt property has been specially benefited by the improvements. In such cases, the owner of such property shall pay the community improvement district a sum equivalent to the amount the property has been specially benefited, which amount may be recovered by the community improvement district in an action against the property owner. If the parties do not agree as to the amount of the special benefits, the amount may be determined by the district court in an action brought by the community improvement district for such purpose.

(3) The board of trustees or the administrator may find that any part or all of such improvements made are of general benefit to the community improvement district, and the board or administrator may levy special assessments on all lots, parcels, or pieces of real estate specially benefited to the extent of the special benefits to such property. The cost of such improvements shall be paid from the assessments levied against all the property in the community improvement district, in the manner provided by section 36 of this act, or may be paid from unappropriated money in its general fund. The cost of the improvements shall draw interest at the rate of six percent per

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annum from the date of acceptance thereof by the board or administrator until warrants are issued for, or payment is otherwise provided, in payment of the contract price.

Sec. 34. All special assessments provided for in section 32 of this act shall become due in fifty days after the date of the levy and may be paid within that time without interest, but if not so paid they shall bear interest thereafter on a per annum basis until delinquent at the greater of (1) the rate of interest accruing on warrants registered against such community improvement district sixty days prior to the actual levy of the special assessments or (2) the average rate of interest accruing on the warrants issued to pay for the improvements for which the special assessments are to be levied adjusted to the next greater one-half percent. Such assessments shall become delinquent in equal annual installments over such periods of years, not exceeding twenty, as the board of trustees or the administrator may determine at the time of making the levy. Delinquent installments shall bear interest at the rate of two percent per annum above the rate set by the community improvement district on such installments before delinquency, except that no such rate shall exceed the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature. If three or more installments shall be delinquent, the board of trustees or the administrator may declare all of the remaining installments to be at once delinquent and such installments declared delinquent shall bear interest at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, until paid and may be collected the same as other delinquent installments may be collected.

Sec. 35. All special assessments provided by the Community Improvement District Act and all connection charges collected shall, when levied, constitute a sinking fund for the purpose of paying the cost of the improvements provided for in the Community Improvement District Act with allowable interest thereon and shall be solely and strictly applied to such purpose to the extent required. Any excess thereof may be by the board or the administrator, after fully discharging the purposes for which levied,

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transferred to such other fund or funds as the board of trustees or the administrator may deem advisable.

Sec. 36. (1) For the purpose of paying the cost of public infrastructure improvements and other corporate purposes as provided for in the Community Improvement District Act, the board of trustees or the administrator shall have the power to issue negotiable bonds of any such community improvement district, to be called community improvement district bonds, payable in not to exceed thirty years, and payable from the maximum levy approved in the articles of association of the community improvement district and other available funds. Each issue of bonds shall mature or be subject to mandatory redemption so that the first principal repayment is made not more than five years after the date of issuance and so that at least twenty percent of the community improvement district's bonds then outstanding shall be repaid within ten years after the date of issuance. Such bonds shall bear interest payable annually or semiannually. Such bonds may either be sold by the community improvement district or delivered to the contractor in payment for the work but in either case for not less than their par value. For the purpose of making partial payments as the work progresses, warrants may be issued by the board of trustees or the administrator upon certificates of the engineer in charge showing the amount of work completed and materials necessarily purchased and delivered for the orderly and proper continuation of the project, in a sum not to exceed ninety-five percent of the cost thereof.

(2)(a) Warrants issued for capital outlays of the community improvement district shall become due and payable not later than five years from the date of issuance.

(b) A default on the bonds or warrants of a community improvement district shall not constitute a debt or obligation of the city or village where such community improvement district is located, the county, or the state.

(3) Warrants issued for operation and maintenance expenses of the community improvement district shall be issued not later than sixty days following the date upon which the community improvement district is in receipt

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of a bill for the amount of operation or maintenance expenses owed, and such warrants shall become due and payable not later than three years from the date of issuance. If a warrant for operation or maintenance expenses is not issued within such sixty-day period, the amount owed by the community improvement district shall bear interest from the sixty-first day until the date upon which the warrant is issued at a rate equivalent to one and one-half times the rate specified in subsection (2) of section 45-104.02. The community improvement district shall agree to pay annual or semiannual interest on all capital outlay warrants issued by the community improvement district and shall issue warrants to pay such interest or shall issue its warrants in return for cash to pay such interest. Warrant interest not paid when due for lack of funds shall be registered, bear interest, and be paid the same as is provided in section 10-209 for bond coupons.

(4) The community improvement district may, if determined appropriate by the board of trustees or the administrator, pay fees to attorneys, municipal advisors, underwriters, and other professionals in connection with the placement and registration of ownership of warrants issued by the community improvement district.

(5) The board of trustees or the administrator may levy special assessments on all lots, parcels, or pieces of real estate benefited by the improvement to the extent of the benefits to such property. The special assessments when collected shall be set aside and constitute a sinking fund for the payment of the interest and principal of such bonds, warrants, and other obligations of the community improvement district.

(6) In addition to the special assessments provided for in this section, there shall be levied annually a tax upon the taxable value of all the taxable property in such community improvement district which, together with such sinking fund derived from special assessments, shall be sufficient to meet payments of interest and principal on all bonds as such become due, subject to the overall limit on the tax levy rate of such community improvement district established upon formation of such community improvement district. Such tax

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levy shall be known as the community improvement district bond tax levy and shall be paid annually.

(7)(a) The board of trustees of any community improvement district may provide for the publication of any resolution or other proceeding adopted by it pursuant to the Community Improvement District Act in a newspaper of general circulation published in the city or village where the community improvement district is located. In the case of a resolution or other proceeding providing for the issuance of bonds, warrants, or other obligations, pursuant to the Community Improvement District Act, the board of trustees or clerk of such community improvement district may, either before or after the adoption of such resolution or resolutions or other proceeding, in lieu of publishing the entire resolution or resolutions or other proceeding, publish a notice of intention to issue bonds, warrants, or other obligations under the Community Improvement District Act, titled to indicate such intention, containing:

(i) The name of the community improvement district;

(ii) The estimated principal amount of bonds, warrants, or other obligations proposed to be issued and the timeframe when such issuance or issuances are expected to occur;

(iii) The proposed or estimated principal maturity schedule or term for such bonds, warrants, or other obligations;

(iv) The maximum rate of interest payable on any maturity of such bonds, warrants, or other obligations; and

(v) The times and place where a copy of the form of resolution or other proceeding providing for the issuance of the bonds, warrants, or other obligations may be examined, which shall be located in the city or village where the community improvement district is located or in the office of the county clerk in the county where such community improvement district is located, for a period of at least thirty days after the publication of such notice. In the case of a notice regarding issuance of warrants, the notice may include warrants expected to be approved by multiple future resolutions or other proceedings and the form of resolution or other proceedings may be

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general forms for such issuance.

(b) For a period of thirty days after such publication, any interested person shall have the right to contest (i) the legality and validity of each and all of the proceedings for the organization of such community improvement district under the Community Improvement District Act, from and including the petition for the organization of the community improvement district, and all other proceedings which may affect the legality or validity of the bonds, warrants, or other obligations and the order of the sale and the sale thereof, (ii) any provisions made for the security and payment of such bonds, warrants, or other obligations, or (iii) any contract of purchase, sale, or lease relating to the issuance of such bonds, warrants, or other obligations. After such time no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

Sec. 37. (1) The community improvement district may be enlarged and additional territory annexed to the community improvement district. Initiation of any such enlargement shall be by petition filed with the clerk of the community improvement district, signed by persons owning not less than fifty percent of the area to be annexed. Upon approval by the board of trustees of such community improvement district, the clerk of the community improvement district shall file (a) an application for such annexation with the city or village clerk with a request that the annexation be approved, all in the same manner as approval of the initial articles of association of such community improvement district pursuant to the Community Improvement District Act and (b) notify the county clerk, election commissioner, and register of deeds of each county or counties in which the community improvement district is located of the proposed annexation. The city or village clerk shall process any such application in the same manner as an initial application for approval of the articles of association for such community improvement district and shall schedule a hearing, publish notices, and mail notices to any owner of property in the area proposed to be annexed who did not sign the petition for annexation. The city council or village board of trustees may approve the

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proposed amendment by ordinance in a similar manner to the initial articles of association as provided in the Community Improvement District Act.

(2) All property, from and after annexation to the community improvement district as provided in subsection (1) of this section, shall be subject to all taxes and other burdens thereafter levied by the community improvement district, regardless of when the obligation for which the taxes or assessments are levied was incurred.

Sec. 38. (1) Whenever a majority of the board of trustees or the administrator of any community improvement district organized under the Community Improvement District Act desires that the community improvement district shall be wholly dissolved, the trustees or administrator shall first propose a resolution declaring the advisability of such dissolution and setting out verbatim the terms and conditions thereof, and also setting out the time and place when the board of trustees or administrator shall meet to consider the adoption of such resolution. Notice of the time and place when the resolution shall be set for consideration shall be delivered to the city or village clerk and the county clerk, election commissioner, and register of deeds of each county or counties in which the community improvement district is located at least forty-five days prior to such date. Notice of the time and place when the resolution shall be set for consideration shall be published the same day each week for two consecutive weeks in a newspaper of general circulation published in the city or village where the community improvement district was organized, which publication shall contain the entire wording of the proposed resolution. The trustees or administrator shall mail a copy of such proposed resolution to any city or village in which any part of the community improvement district is located within five days after the date of first publication of the resolution. The last publication shall be not less than five days nor more than two weeks prior to the time set for hearing on objections to the passage of the resolution, at which hearing the owners of property within the community improvement district, or any city or village in which any part of the community improvement district is located, may appear and

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make objections to the proposed resolution.

(2) If (a) a petition opposing the proposed resolution of dissolution is signed by property owners representing a majority of the area of real estate within the community improvement district or (b) a resolution is adopted by the city council or village board of trustees opposing such dissolution and either is presented to the board of trustees or the administrator on or prior to the hearing date, then the board of trustees or the administrator shall not adopt such resolution.

(3) If the owners representing a majority of the area of real estate within the community improvement district fail to sign and present to the board or to the administrator, on or prior to the hearing date, a written petition opposing the proposed resolution of dissolution, or if a resolution opposing such dissolution is not adopted by the village board of trustees or city council, then a majority of the board of trustees or the administrator may pass the resolution and thereby adopt the proposed dissolution. After the board of trustees or the administrator has adopted such resolution of dissolution, the clerk of the community improvement district shall prepare and file a certified copy of the resolution of dissolution in the office of the city or village clerk where the original articles of association were filed and in the office of the Secretary of State.

(4) A proposed resolution of dissolution shall not be adopted if the community improvement district is obligated on any outstanding bonds, warrants, or other debts or obligations unless the holders of such bonds, warrants, or other debts or obligations shall all sign written consents to the dissolution prior to the adoption of the resolution of dissolution.

Sec. 39. (1) Whenever a majority of the respective boards of trustees or the administrators of two community improvement districts organized under the Community Improvement District Act, organized within the same city or village shall desire that one of the community improvement districts shall wholly merge into the other community improvement district, the trustees or administrators shall first propose a joint resolution declaring the advisability of such

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merger and setting out verbatim the terms and conditions thereof and specifying which community improvement district shall be the surviving community improvement district, and also setting out the time and place when the boards of trustees or administrators of the two community improvement districts shall meet to consider the adoption of such resolution. Notice of the time and place when the two community improvement districts shall meet shall be delivered to the city or village clerk and the county clerk, election commissioner, and register of deeds of each county or counties in which the community improvement district is located at least forty-five days prior to such date.

(2) The trustees or the administrators shall mail a copy of such proposed joint resolution to the city or village clerk within five days after the date of first publication of the published notice described in this section. Notice of the time and place when such resolution shall be set for consideration shall be published the same day each week for two consecutive weeks in a newspaper of general circulation published in the city or village where the community improvement districts were organized, which publication shall contain the entire wording of the proposed resolution. The last publication shall be not less than five days nor more than two weeks prior to the time set for hearing on objections to the passage of the resolution, at which hearing the owners of property within either of the community improvement districts or the holders of any unpaid bonds, warrants, or other obligations of either community improvement district, or any city or village if any part of such community improvement district or community improvement districts lies within the area of its zoning jurisdiction, may appear and make objections to the proposed resolution.

(3) If (a) a petition opposing the proposed resolution of merger is signed by (i) property owners representing a majority of the area of real estate within either community improvement district or (ii) any holder of any unpaid bonds, warrants, or other obligations of either community improvement district or (b) a resolution is adopted by the city council or village board of trustees opposing such resolution of merger and if any such petition or resolution is

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presented to the boards of trustees or administrators on or prior to the hearing date, then the boards of trustees or administrators shall not adopt such resolution.

(4) If a written petition or resolution opposing the proposed resolution of merger is not filed, then a majority of the boards of trustees or administrators of both community improvement districts may pass the resolution and thereby adopt the proposed merger. Upon adoption of the proposed resolution by the boards of trustees or administrators of both community improvement districts, the clerk of the community improvement district or the administrator from both community improvement districts shall prepare and file a certified copy of such resolution of merger in the office of the city or village clerk where the original articles of association of the community improvement districts were filed and in the office of the Secretary of State, and thereupon the surviving community improvement district shall succeed to and become vested with full title to all the property and property rights of every kind, contracts, obligations, and choses in action of every kind held by or belonging to the nonsurviving community improvement district, and the surviving community improvement district shall also be liable for and recognize, assume, and carry out all valid contracts and obligations of the nonsurviving community improvement district including all outstanding warrants, bonds, or other indebtedness. All taxes, assessments, and demands of every kind due or owing to the nonsurviving community improvement district shall be paid to and collected by the surviving community improvement district.

(5) Upon the filing of the certified copies of the resolution of merger as provided in this section, the corporate existence of the nonsurviving community improvement district shall thereupon terminate and the boundaries of the surviving community improvement district shall be extended to include all the territory within the boundaries of the nonsurviving community improvement district. A majority of the board of trustees or the administrator of the surviving community improvement district shall have power, from time to time, to give binding directions in writing to the county treasurer of the county in

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which the surviving community improvement district is located, directing that the treasurer segregate the special assessment funds of the two community improvement districts or directing the segregation of the other assets of the two community improvement districts or directing the method and priority of payment of registered warrants of the two community improvement districts, or giving directions to the county treasurer as to other problems of fiscal management of the affairs of the two community improvement districts involved in the merger.

Sec. 40. (1) Whenever a majority of the board of trustees or the administrator of any community improvement district organized under the Community Improvement District Act, desires that any property within the community improvement district be detached from the community improvement district, the trustees or the administrator shall first propose a resolution declaring the advisability of such detachment and setting out verbatim the terms and conditions thereof and also setting out the time and place when the board of trustees or the administrator will meet to consider the adoption of such resolution. Notice of the time and place when the resolution shall be set for consideration shall be delivered to the city or village clerk and the county clerk, election commissioner, and register of deeds of each county or counties in which the community improvement district is located at least forty-five days prior to such date. Notice of the time and place when the resolution shall be set for consideration shall be published the same day each week for two consecutive weeks in a newspaper of general circulation published in the city or village where the community improvement district was organized, which publication shall contain the entire wording of the proposed resolution. The trustees or administrator shall mail a copy of such proposed resolution to the city or village clerk of the city or village in which any part of the community improvement district is located within five days after the date of first publication of the resolution. The last publication shall be not less than five days nor more than two weeks prior to the time set for hearing on objections to the passage of the resolution, at which hearing the owners of property within

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the community improvement district, or any city or village in which any part of the community improvement district is located, may appear and make objections to the proposed resolution.

(2) If (a) a petition opposing the proposed resolution of detachment is signed by property owners representing a majority of the area of real estate within the community improvement district or (b) a resolution is adopted by the city council or village board of trustees opposing the proposed resolution of detachment and such petition or resolution is presented to the board of trustees or to the administrator on or prior to the hearing date, then the board of trustees or the administrator shall not adopt such resolution.

(3) If the owners representing a majority of the area of real estate within the community improvement district fail to sign and present to the board of trustees or the administrator, on or prior to the hearing date, a written petition opposing the proposed resolution of detachment, or if the city council or village board of trustees fail to adopt a resolution opposing such resolution of detachment, then a majority of the board of trustees or the administrator may pass the resolution and thereby adopt the proposed detachment. After the board of trustees or the administrator has adopted such resolution of detachment, the clerk of the community improvement district shall prepare and file a certified copy of the resolution of detachment in the office of the city clerk where the original articles of association were filed and in the office of the Secretary of State, and thereupon the area detached shall become excluded and detached from the boundaries of the community improvement district.

(4) A resolution of detachment proposed under this section shall not be adopted if the community improvement district is indebted on any outstanding bonds or warrants of the community improvement district unless the holders of such bonds and warrants all sign written consents to the detachment prior to the adoption of the resolution of detachment.

Sec. 41. When any land is a part of two community improvement districts and the owners of such land desire that it be a part of only one community

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improvement district, such owners shall file their request with the trustees or the administrator of each community improvement district. The trustees or the administrator of the community improvement districts shall meet jointly and develop an agreement for the detachment of the land from one of the community improvement districts and the adjustment of indebtedness. If the trustees or administrators are unable to reach an agreement, they shall file a petition in the district court of the county in which such land is located and the court shall have jurisdiction to detach the land and adjust the indebtedness. The clerk of the community improvement district shall notify the clerk of each city or village in which the community improvement districts are located and the county clerk, election commissioner, and register of deeds of each county or counties in which the community improvement districts are located of the agreement for detachment or the filing of the petition in district court.

Sec. 42. A petition may be filed with the district court of the county in which a majority of the real property of a community improvement district is located for referral of the community improvement district to the city council of the city or board of trustees of the village in which the community improvement district is located for the appointment of an administrator of the community improvement district and suspension of the authority of the board of trustees of the community improvement district or other relief as provided by sections 43 to 51 of this act. Such petition may be filed by: (1) A majority of the board of trustees of the community improvement district; (2) the holders of more than fifty percent in principal amount of the outstanding bonds of the community improvement district; (3) the holders of more than fifty percent in principal amount of outstanding construction fund warrants of the community improvement district; (4) a majority of the lessees permitted to vote pursuant to section 14 of this act who are residents of the community improvement district and resident property owners of the community improvement district; (5) the owners of more than one-half of the real property within the community improvement district; or (6) a city or village in which the community improvement district is located and which exercises zoning jurisdiction over

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the community improvement district. A petition filed by a city or village pursuant to subdivision (6) of this section may be filed only on grounds that the community improvement district has issued outstanding bonds or construction fund warrants which have been in default for more than ninety days or the community improvement district lacks a functioning board of trustees.

Sec. 43. The court shall fix the time for the hearing of the petition pursuant to section 42 of this act and shall order the clerk of the court to give and publish a notice of the filing of the petition. The notice shall be given by publication the same day of the week each week for three consecutive weeks. Within five days after the first publication of such notice, the petitioner shall cause to be mailed by United States mail a copy of such notice to each holder of outstanding warrants and bonds, to each member of the board of trustees if the board has not petitioned for the appointment, to the city or village in which the community improvement district is located, and to each person whose property ownership is of record on the records of the register of deeds at least thirty days and not more than forty days prior to the mailing of a notice. Notice shall be sent to each bond and warrant holder, trustee, and property owner whose name and post office address are known after diligent investigation and inquiry. The notice shall state the time and place fixed for the hearing of the petition and the prayer of the petition, and that any person with an interest in the community improvement district may, on or before the day fixed for the hearing of the petition, move to join in, dismiss, or answer the petition. The petition may be referred to and described in the notice as the petition of ..... (giving name of petitioner) praying for the referral of the community improvement district to the ..... (name of the city council of the city or board of trustees of the village in which the community improvement district is located) for the appointment of an administrator of the community improvement district and the suspension of the authority of the board of trustees of such community improvement district to exercise the powers granted the board of trustees under the Community Improvement District Act during the period of such administrator's appointment.

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Sec. 44. The petition shall state that the community improvement district (1) has been in default for more than ninety days on its issued and outstanding bonds or construction fund warrants of the community improvement district, (2) has levied a tax upon the taxable value of the taxable property in the community improvement district which, along with the sinking fund derived from special assessments, has not been sufficient to meet payments of interest and principal on the issued and outstanding bonds of the community improvement district, (3) has failed to levy special assessments on all lots, parcels, or pieces of real property within the terms provided in section 32 of this act, or (4) lacks a functioning board of trustees. The petition shall pray for referral of the community improvement district to the city council of the city or board of trustees of the village in which the community improvement district is located for the appointment of an administrator for the community improvement district and for an order suspending the authority of the board of trustees of the community improvement district to exercise the powers granted to such board pursuant to the Community Improvement District Act during the period of such administrator's appointment or for such other relief as the court may determine appropriate.

Sec. 45. Any person with an interest in the community improvement district may join in the petition, move to dismiss the petition, or file an answer to such petition. The rules of civil procedure relating to motions and answers to a petition shall be applicable to motions and answers to the petition in such special proceedings. The persons filing motions to dismiss and answering the petition shall be the defendants to the special proceedings, and the persons filing the petition or joining in the petition shall be the plaintiffs. Every material statement of the petition not specially controverted by the answer shall, for the purpose of the special proceedings, be taken as true. Each person or party in interest failing to answer the petition shall be deemed to admit as true all the material statements of the petition. The rules of civil procedure relating to pleading and practice which are not inconsistent with the provisions of the Community Improvement District Act are applicable to

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the special proceedings in sections 42 to 47 of this act.

Sec. 46. Upon the hearing of the special proceedings pursuant to sections 42 to 47 of this act, the court shall, upon a finding that any of the statements in subdivisions (1) through (4) of section 44 of this act are true, that the petition has been properly filed and notice of the petition has been duly given and published for the time and in the manner prescribed in sections 42 to 47 of this act, and that it is in the best interest of the community improvement district, have the power and jurisdiction to issue an order which refers the community improvement district to the city council of the city or board of trustees of the village in which the community improvement district is located for appointment by the city council or village board of trustees of an administrator from a list of not less than two names of persons possessing real estate and financial expertise compiled by the court in the proceedings, and which provides for the suspension of the authority of the board of trustees of the community improvement district to exercise the powers granted such board under the Community Improvement District Act during the period of such administrator's appointment. In the alternative or as additional relief, the court may order such other relief as may be appropriate to cure the defects of the community improvement district, including, but not limited to, (1) appointment of trustees to serve until the next regular election, (2) calling a special election to elect trustees which shall be conducted in the same manner as other elections for trustees, and (3) directing the board of trustees to levy taxes or special assessments as required by the Community Improvement District Act. The cost of the special proceedings may be allowed and apportioned between the parties in the discretion of the court.

Sec. 47. Upon receipt of the order of the district court referring the community improvement district to the city council of the city or board of trustees of the village in which the community improvement district is located for the appointment of an administrator, the city council or village board of trustees shall appoint an administrator with authority, including all authority of the board of trustees, chairperson, and clerk of the community improvement

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district, to direct the affairs of the community improvement district pursuant to the Community Improvement District Act unless the city council or village board of trustees shall determine upon good cause that the appointment of an administrator would not be in the best interests of the community improvement district. Within sixty days after receipt of such order of the district court, the city council or village board of trustees shall file with the court a certificate evidencing compliance with this section and if the city council or village board of trustees determines not to appoint an administrator, such certificate shall specify the grounds for the city council's or village board of trustees' determination that the appointment would not be in the best interest of the community improvement district.

Sec. 48. Upon the issuance of a certificate of appointment by the city council of the city or board of trustees of the village in which the community improvement district is located to a designated community improvement district administrator, the authority of the board of trustees of the community improvement district to exercise the powers of the community improvement district conferred by the Community Improvement District Act shall be suspended. The administrator shall during the period of his or her appointment possess all of the powers of the board of trustees and shall possess exclusive authority to exercise the powers conferred in the Community Improvement District Act.

Sec. 49. The board of trustees or the administrator shall have the power to negotiate a scaling, a discounting, a reduction in interest rate, or any other compromise of any or all of the bonds, warrants, or other indebtedness of the community improvement district with the owners or holders of such indebtedness. In order to carry out any compromise agreements made, the board of trustees or the administrator shall have the power to issue new bonds or warrants which may be delivered to the holders or owners of the indebtedness being compromised or may be sold on such terms as the board of trustees or administrator shall determine to provide cash to carry out the compromise settlement. Before any new bonds or warrants are issued, the terms of the

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compromise settlement shall be approved by the district court for the county in which the community improvement district or the greater portion of the community improvement district is situated. Such review by the district court shall be limited to the legality and validity of the new bonds or warrants to be issued, and the decree of the district court determining the issuance of the new bonds or warrants to be legal and valid shall be conclusive against the community improvement district and all other persons having or claiming any interest in the community improvement district. Notwithstanding any other provision of law, the treasurer of the community improvement district shall disburse funds of the community improvement district in accordance with the compromise settlement approved by the district court.

Sec. 50. (1) The administrator may levy a separate tax upon the taxable value of the taxable property in the community improvement district which shall be known as the administration tax and which shall be separately accounted for by the treasurer of the community improvement district. Such tax shall be paid annually. Such tax may be used to pay the fees and expenses of the administrator and his or her administration, including the cost of audit services, legal services, and financial advisory services ordered by the administrator.

(2) The administrator shall receive a minimum fee of five hundred dollars per month during the term of his or her appointment. The administrator shall also be entitled to reimbursement for his or her actual and necessary expenses upon presentation of an accounting of his or her expenses to the city council of the city or board of trustees of the village in which the community improvement district is located. The monthly administrator's fee provided for in this subsection shall be subject to adjustment at any time during the term of the administrator's appointment by the city council or village board of trustees. The factors to be considered by the city council or village board of trustees in its determination to increase the administrator's fee shall include the nature and extent of the administrator's services, the complexity of the problems confronting the community improvement district, and the value of the

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services of the administrator to the community improvement district. The city council or village board of trustees shall also consider the cost of obtaining comparable services of the administrator in the private sector.

Sec. 51. The administrator shall serve at the pleasure of the city council of the city or board of trustees of the village in which the community improvement district is located or until the district court shall terminate the authority of the city council or village board of trustees and the administrator. A petition for review by the court of the original order may be filed by any person with an interest in the community improvement district. The court shall have the power to terminate the authority of the city council or village board of trustees and the administrator upon its determination that none of the conditions set forth in section 44 of this act exist or it is in the best interest of the community improvement district that the authority of the administrator be terminated. A termination of the authority of the city council or village board of trustees and the administrator shall reinstate the authority of the board of trustees pursuant to the Community Improvement District Act.

Sec. 52. For purposes of sections 52 to 59 of this act:

(1) Filing clerk means the election commissioner or county clerk of the county in which all or the largest portion of the land area comprising a community improvement district is located;

(2) Qualified property owning voter means a person entitled to vote as provided in section 14 of this act for all trustees of a community improvement district other than those which may be elected only by qualified resident voters; and

(3) Qualified resident voter means a person entitled to vote as provided in section 14 of this act for all trustees of a community improvement district.

Sec. 53. (1) A trustee of a community improvement district may be removed from office by recall pursuant to sections 52 to 59 of this act. A petition for an election to recall a trustee shall be sufficient if it complies with the requirements of this section.

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(2) The signers of the petition shall be persons who were, on the date the initial petition papers are issued under subsection (7) of this section, eligible to vote in a community improvement district election as provided in section 14 of this act. A person's eligibility to sign a petition shall be the same as the person's eligibility to cast one or more votes at a community improvement district election under section 14 of this act. Only one person shall be allowed to sign on behalf of joint owners of property in the community improvement district or on behalf of a public, private, or municipal corporation that owns property in the community improvement district. If the trustee whose recall is sought was elected by vote of resident owners only, then only resident owners shall be allowed to sign the petition. If the trustee whose recall is sought was elected by vote of all owners of property, then all owners shall be allowed to sign the petition. For purposes of this section, resident owner means qualified resident voter and all owners means all qualified resident voters and all qualified property owning voters.

(3) The filing clerk shall assign to each signature a count equal to the number of votes that the signer was eligible to cast on the date he or she signed. The number of votes that a signer was eligible to cast shall be based on section 14 of this act. If the signature was made by or for an owner of more than one parcel of property, the signature made by or on behalf of such owner shall be assigned a count equal to the total number of votes which the owner was eligible to cast.

(4) The filing clerk shall total the count assigned to the signatures on the petition. The petition shall be sufficient if the total is at least equal to thirty-five percent of the highest number of votes that were cast for a candidate at the previous community improvement district election for the trustee positions in the same category as the trustee whose recall is sought by the petition. The categories of trustees shall be the same as provided in section 14 of this act.

(5) The signatures shall be affixed to petition papers and shall be considered part of the petition.

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(6) The petition papers shall be procured from the filing clerk. Prior to the issuance of such petition papers, a recall petition filing form shall be signed and filed with the filing clerk by (a) at least one qualified resident voter of the district if the trustee whose recall is being sought was elected solely by qualified resident voters or (b) at least one qualified resident voter or qualified property owning voter if the trustee whose recall is being sought was elected by qualified resident voters and qualified property owning voters. Such voter or voters shall be deemed to be the principal circulator or circulators of the recall petition. The filing form shall state the name of the trustee sought to be removed and whether qualified property owning voters participated in the election of the trustee and shall request that the filing clerk issue initial petition papers to the principal circulator for circulation. The filing clerk shall notify the principal circulator or circulators that the necessary signatures must be gathered within thirty days after the date of issuing the petitions.

(7) The filing clerk, upon issuing the initial petition papers or any subsequent petition papers, shall enter in a record, to be kept in his or her office, the name of the principal circulator or circulators to whom the papers were issued, the date of issuance, the number of papers issued, and whether qualified property owning voters may participate in signing the petitions. The filing clerk shall certify on the papers the name of the principal circulator or circulators to whom the papers were issued, the date they were issued, and whether qualified property owning voters may participate in signing the petitions. No petition paper shall be accepted as part of the petition unless it bears such certificate. The principal circulator or circulators who check out petitions from the filing clerk may distribute such petitions to persons who may act as circulators of such petitions.

Sec. 54. (1) The Secretary of State shall design the uniform petition papers to be distributed by all filing clerks for use in the recall of trustees of community improvement districts and shall keep a sufficient number of such blank petition papers on file for distribution to any filing clerk requesting

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recall petitions.

(2) Each petition paper presented to a qualified voter for his or her signature shall clearly indicate at the top (a) whether the trustee whose recall is being sought was elected solely by qualified resident voters, (b) whether the signatories must be qualified resident voters or may include qualified property owning voters, (c) that the signatories must support the holding of a recall election for the trustee, (d) the name of the individual sought to be recalled, and (e) a general statement of the reason or reasons for which recall is sought.

(3) Each petition paper shall contain a statement, entitled Instructions to Petition Circulators, prepared by the Secretary of State to assist circulators in understanding the provisions governing the petition process established by sections 52 to 59 of this act. The instructions shall include the following statement: No one circulating this petition paper in an attempt to gather signatures shall sign the circulator's affidavit unless each person who signed the petition paper did so in the presence of the circulator.

Sec. 55. (1) The principal circulator or circulators shall file, as one instrument, all petition papers comprising a recall petition for signature verification with the filing clerk within thirty days after the filing clerk issues the initial petition papers to the principal circulator or circulators as provided in section 53 of this act.

(2) Within fifteen days after the filing of the petition, the filing clerk shall ascertain whether or not the petition is signed by sufficient qualified resident voters and qualified property owning voters as provided in section 53 of this act. No new signatures may be added after the initial filing of the petition papers. No signatures may be removed unless the filing clerk receives an affidavit signed by the person requesting that his or her signature be removed before the petitions are filed with the filing clerk for signature verification.

(3) If the petition is found to be sufficient, the filing clerk shall attach to the petition a certificate showing the result of such examination. If

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the petition is found not to be sufficient, the filing clerk shall file the petition in his or her office without prejudice to the filing of a new petition for the same purpose.

Sec. 56. (1) If the recall petition is found to be sufficient, the filing clerk shall notify the trustee whose removal is sought and the board of trustees of the community improvement district that sufficient signatures have been gathered.

(2) If the trustee does not resign within five days after receiving the notice, the filing clerk shall order an election to be held not less than forty-five days nor more than sixty days after the expiration of the five-day period, except that if an election for the board of trustees of the community improvement district is to be held within one hundred twenty days after the expiration of the five-day period, the filing clerk shall provide for the holding of the removal election at the time of such regular election. The recall election shall be conducted in the same manner as an election for members of the board of trustees as provided in section 14 of this act. After the filing clerk sets the date for the recall election, the recall election shall be held regardless of whether the trustee whose removal is sought resigns before the recall election is held.

Sec. 57. The form of the official ballot at a recall election conducted pursuant to section 56 of this act shall conform to the requirements of this section. With respect to each trustee whose removal is sought, the question shall be submitted: Shall (name of trustee) be removed from the office of trustee? Immediately following each such question there shall be printed on the ballot the two responses: Yes and No. Immediately to the left of each response shall be placed a square or oval in which the voters qualified to vote for the trustee in a regular election may vote for one of the responses by making a cross or other clear, identifiable mark. The name of the trustee which shall appear on the ballot shall be the name of the trustee that appeared on the ballot of the previous election that included his or her name.

Sec. 58. (1) If a majority of the votes cast at a recall election are

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against the removal of the trustee named on the ballot or the election results in a tie, the trustee shall continue in office for the remainder of his or her term.

(2) If a majority of the votes cast at a recall election are for the removal of the trustee named on the ballot, he or she shall, regardless of any technical defects in the recall petition, be deemed removed from office unless a recount is ordered. If the trustee is deemed removed, the removal shall result in an immediate vacancy in the office from the date of the election. The vacancy shall be filled as provided in subsection (2) of section 14 of this act.

(3) If there are vacancies in the offices of a majority or more of the members of the board of trustees at one time due to the recall of such members, a special election to fill such vacancies shall be conducted as expeditiously as possible by the filing clerk in the manner specified in section 14 of this act.

(4) No trustee who is removed at a recall election or who resigns after the initiation of the recall process shall be appointed to fill the vacancy resulting from his or her removal or the removal of any other member of the same board of trustees during the remainder of his or her term of office.

Sec. 59. No recall petition filing form shall be filed against a trustee under section 53 of this act within twelve months after a recall election has failed to remove him or her from office, within six months after the beginning of his or her term of office, or within six months prior to the incumbent filing deadline for the office.

Sec. 60. Section 10-127, Reissue Revised Statutes of Nebraska, is amended to read:

10-127 The State Highway Commission, any county, city, village, municipal county, school district, drainage district, irrigation district, public power district, public power and irrigation district, metropolitan utilities district, the Board of Regents of the University of Nebraska, the Board of Trustees of the Nebraska State Colleges, community colleges, community

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improvement districts, sanitary and improvement districts, rural water districts, airport authorities, hospital authorities, or any other municipal corporation or governmental subdivision of the state which has the power to issue bonds or other evidences of indebtedness may issue bonds or other evidences of indebtedness of like date, tenor, amount, and maturity to replace mutilated, destroyed, stolen, or lost bonds or other evidences of indebtedness previously issued and having attached thereto the same corresponding unmatured coupons, if any, as were attached to the mutilated, destroyed, stolen, or lost bonds or other evidences of indebtedness. Issuance of replacement bonds or other evidences of indebtedness of like date, tenor, amount, and maturity may be made (1) in exchange and in substitution for such mutilated bond or other evidence of indebtedness and attached unmatured coupons, if any, upon surrender of such mutilated bond or other evidence of indebtedness and attached unmatured coupons, if any, or (2) in lieu of and in substitution for the destroyed, stolen, or lost bond or other evidence of indebtedness and attached unmatured coupons. In the event such bond or other evidence of indebtedness and attached unmatured coupons, if any, have been destroyed, stolen, or lost, the holder thereof shall first file with the issuer evidence satisfactory to it that such bond or other evidence of indebtedness and attached unmatured coupons have been destroyed, stolen, or lost and of such holder's ownership thereof and shall in any event furnish the issuer with indemnity satisfactory to it and shall comply with any statutory requirements and with such other requirements as the issuer may require. A charge, not exceeding the actual cost thereof, shall be imposed upon such owner to reimburse the issuer for the expenses for issuing each such new bond or evidence of indebtedness, which cost shall be paid before the delivery of the new bond or evidence of indebtedness. Instead of issuing a substituted bond or evidence of indebtedness or instead of delivery of any coupon for a bond or evidence of indebtedness, as the case may be, which has matured or which is about to mature and instead of issuing a substituted bond or other evidence of indebtedness for a bond or other evidence of indebtedness which has been called for redemption, the issuer, upon receiving evidence and

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being indemnified as provided in this section, at its option may pay the bond or other evidence of indebtedness or such coupon from any source lawfully available therefor without the surrender thereof.

Sec. 61. Section 10-131, Reissue Revised Statutes of Nebraska, is amended to read:

10-131 Notwithstanding any other provisions of the statutes of the State of Nebraska with respect to the issuance of bonds, interest coupons, and other evidence of indebtedness by any county, city, village, municipal county, school district, public power district, public power and irrigation district, airport authority, community improvement district, sanitary and improvement district, or any other municipal corporation or political subdivision, if any bond or other evidence of indebtedness is signed by more than one officer of such issuer, one of the signatures shall be manually affixed thereto and the other signatures may be facsimile signatures of such officers, and with respect to any interest coupons appertaining to any bond or evidence of indebtedness, the signatures on such interest coupon may be facsimile signatures.

Sec. 62. Section 10-133, Reissue Revised Statutes of Nebraska, is amended to read:

10-133 Any county, city, village, municipal county, school district, public power district, public power and irrigation district, airport authority, community improvement district, sanitary and improvement district, or any other municipal corporation or political subdivision is hereby authorized to pay fiscal and consultant fees incurred with respect to issuance and sale of any bonds, notes, or other evidence of indebtedness out of the proceeds from the sale of such bonds or any other funds available to the issuer, and such payment shall not constitute or be considered as a discount with respect to the sale price of the bonds, notes, or other evidence of indebtedness.

Sec. 63. Section 10-134, Reissue Revised Statutes of Nebraska, is amended to read:

10-134 As used in sections 10-134 to 10-141, unless the context otherwise requires:

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(1) Bond shall mean any bonds, notes, interim certificates, evidences of bond ownership, bond anticipation notes, warrants, or other evidence of indebtedness;

(2) Bond ordinance shall mean the ordinance or resolution adopted by the governing body of an issuer authorizing an issue of bonds and shall include any indenture or similar instrument executed by the issuer in connection with a bond issue;

(3) Fully registered bond shall mean a bond, without interest coupons, as to which the principal and interest are payable to the person shown on the records of the registrar as the owner of the bond as of each interest or principal record payment date designated by the issue in the bond ordinance;

(4) Governing body shall mean the council, board, or other legislative body having charge of the governance of the issuer;

(5) Issuer shall mean any county, city, village, school district, community improvement district, sanitary and improvement district, fire protection district, public corporation, or any other governmental body or political subdivision of the State of Nebraska; and

(6) Paying agent or registrar shall mean: (a) The treasurer or finance officer of the issuer; (b) any national or state bank having trust powers or any trust company; (c) any municipal securities dealer registered under Section 15B of the Securities Exchange Act of 1934, except that such a dealer may act as a paying agent or registrar only with respect to warrants or an issue of bonds maturing within five years from the date of issuance; or (d) the county treasurer of the county in which the issuer is located if such treasurer shall agree to perform such duty. The paying agent and registrar for a bond issue may be, but are not required to be, the same person or entity.

Sec. 64. Section 10-615, Reissue Revised Statutes of Nebraska, is amended to read:

10-615 Any community improvement district, any sanitary and improvement district, any road improvement district, and any fire protection district in the State of Nebraska which has issued or which will issue bonds for any

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purpose, and such bonds or any part of such bonds are unpaid, are a legal liability against such district, and are bearing interest, may issue refunding bonds with which to call and redeem all or any part of such outstanding bonds at or before the maturity or the redemption date of such bonds, may include various series and issues of the outstanding bonds in a single issue of refunding bonds, and may issue refunding bonds to pay any redemption premium and interest to accrue and become payable on the outstanding bonds being refunded or refunding bonds issued. The refunding bonds may be issued and delivered at any time prior to the date of maturity or the redemption date of the bonds to be refunded that the governing body or the administrator determines to be in the best interest of any such district. The proceeds derived from the sale of the refunding bonds issued pursuant to this section may be invested in obligations of or guaranteed by the United States Government pending the time the proceeds are required for the purpose for which such refunding bonds were issued. To further secure the refunding bonds, any such district may enter into a contract with any bank or trust company, within or without the state, with respect to the safekeeping and application of the proceeds of the refunding bonds and the safekeeping and application of the earnings on the investment of such proceeds. Any outstanding bonds, which shall have been called for redemption and which have sufficient funds or obligations of or guaranteed by the United States Government set aside in safekeeping to be applied for the complete payment of such bonds, interest on such bonds, and redemption premium, if any, on the redemption date, shall not be considered as outstanding and unpaid, and such bonds shall be fully secured by and be payable from such funds or obligations so deposited. Each new refunding bond so issued shall state on the bond (1) the object of its issue, (2) this section of the law under which such issue was made, including a statement that the issue is made pursuant to such section, and (3) the date and principal amount of the bond or bonds for which the refunding bonds are being issued.

Sec. 65. Section 10-1103, Reissue Revised Statutes of Nebraska, is amended to read:

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10-1103 For purposes of the Nebraska Governmental Unit Security Interest Act:

(1) Authorizing statute means any statute which authorizes the issuance of bonds;

(2) Bond means any bond, note, warrant, loan agreement, lease, lease-purchase agreement, pledge agreement, agreement authorized by the governing body of a generating power agency pursuant to section 70-682, or other evidence of indebtedness for which a security interest is granted or a pledge made upon revenue or other property, including any limited tax revenue, to provide for payment or security;

(3) Governmental unit means the State of Nebraska, any county, school district, city, village, public power district, community improvement district, sanitary and improvement district, educational service unit, community college area, natural resources district, airport authority, fire protection district, hospital authority, joint entity created under the Interlocal Cooperation Act, joint public agency, instrumentality, or any other district, authority, or political subdivision of the State of Nebraska and governmental units as defined in subdivision (a)(45) of section 9-102, Uniform Commercial Code;

(4) Measure means any ordinance, resolution, or other enactment authorizing the issuance of bonds or authorizing an indenture with respect to bonds pursuant to an authorizing statute; and

(5) Owner means any holder, registered owner, or beneficial owner of a bond.

Sec. 66. Section 10-1203, Reissue Revised Statutes of Nebraska, is amended to read:

10-1203 For purposes of the Nebraska Governmental Unit Credit Facility Act:

(1) Authorizing statute means any statute which authorizes the issuance of bonds by a governmental unit;

(2) Bank means any federally chartered or state-chartered bank, savings and loan association, building and loan association, insurance company, or any

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other public or private agency which insures or guarantees the indebtedness of other persons or governmental units;

(3) Bond means any bond, note, interim certificate, evidence of bond ownership, bond anticipation note, warrant, or other evidence of indebtedness issued under any authorizing statute;

(4) Credit facility means any agreement or other instrument providing for a guarantee or other contractual arrangement providing direct or indirect assurance for payment of principal or interest or both principal and interest on any bond issued by a governmental unit, including, but not limited to, any letter of credit, contract of guarantee, contract of insurance, standby purchase contract, or any other contract for purchase or other agreement as to assurance of payment;

(5) Governmental unit means any county, school district, city, village, public power district, public power and irrigation district, community improvement district, sanitary and improvement district, educational service unit, community college area, natural resources district, airport authority, fire protection district, hospital district, hospital authority, housing authority, joint entity created under the Interlocal Cooperation Act, joint public agency created under the Joint Public Agency Act, instrumentality, or any other district, authority, or political subdivision of the State of Nebraska;

(6) Measure means any ordinance, resolution, or other enactment by a governmental unit, or any amendment or supplement to any such ordinance, resolution, or other enactment authorizing the issuance of bonds or authorizing an indenture with respect to bonds pursuant to an authorizing statute;

(7) Terms and conditions means the terms and conditions of a credit facility, which may include, but are not limited to, (a) representations and warranties; (b) payment of fees and expenses; (c) reimbursement of amounts advanced and payment of interest on amounts advanced; (d) holding harmless for additional taxes or increased costs payable by the credit facility provider; (e) remarketing or resale of purchased bonds; (f) indemnification for

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liabilities incurred by a credit facility provider; (g) affirmative and negative covenants relating to bonds for which assurance is provided; (h) provisions relating to defaults and remedies upon default; and (i) such other provisions as may be determined by the governing body of a governmental unit to be either customary or appropriate in obtaining a credit facility; and

(8) United States governmental enterprise means any agency or instrumentality of the United States Government. For all purposes of the Nebraska Governmental Unit Credit Facility Act, the term United States governmental enterprise shall be conclusively construed as including, but not limited to, any of the Federal Home Loan Banks, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation.

Sec. 67. Section 13-402, Reissue Revised Statutes of Nebraska, is amended to read:

13-402 (1) Any county, city, village, school district, agency of the state government, drainage district, community improvement district, sanitary and improvement district, or other political subdivision of the State of Nebraska is hereby permitted, authorized, and given the power to file a petition in the United States Bankruptcy Court under 11 U.S.C. chapter 9 and any acts amendatory thereto and supplementary thereof and to incur and pay the expenses incident to the consummation of a plan of adjustment of debts as contemplated by such petition.

(2)(a) The authority and power to file a petition provided for in subsection (1) of this section shall not apply to any city or village that, at the time of its governing body authorizing the filing of such petition, has its defined benefit retirement plan, if any, with a funded ratio of the actuarial value of assets less than fifty-one and sixty-five hundredths percent for any such petition to be filed during the period between January 1, 2020, and January 1, 2023; fifty-four and forty-one hundredths percent for any such petition to be filed during the period between January 1, 2023, and January 1, 2026; fifty-eight and twenty-one hundredths percent for any such petition to be filed during the period between January 1, 2026, and January 1, 2029; sixty-

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three and forty-one hundredths percent for any such petition to be filed during the period between January 1, 2029, and January 1, 2032; seventy and seventy-one hundredths percent for any such petition to be filed during the period between January 1, 2032, and January 1, 2035; eighty and sixty-one hundredths percent for any such petition to be filed during the period between January 1, 2035, and January 1, 2038; and ninety percent thereafter.

(b) Within ninety days prior to taking action authorizing the filing of such petition, the governing body of any city or village that has a defined benefit retirement plan shall conduct an actuarial valuation to determine the funded ratio of such defined benefit retirement plan. Such determination shall be prima facie evidence in establishing the authority of the city or village to exercise authority under this section.

(c)(i) A city or village that does not have a defined benefit retirement plan may by ordinance declare and affirm that its general obligation bonds, whether existing before, after, or at the time of such ordinance, shall, unless otherwise provided in the related authorizing measure, be equally and ratably secured by a statutory lien on all ad valorem taxes levied and to be levied from year to year by such city or village and on all proceeds derived therefrom. The statutory lien authorized hereunder shall be deemed to attach and be continuously perfected from the time the bonds are issued without further action or authorization by the city or village. The statutory lien is valid and binding from the time the bonds are issued without any physical delivery thereof or further act required. No filing need be made under the Uniform Commercial Code or otherwise to perfect the statutory lien on any ad valorem taxes or proceeds derived therefrom in favor of any general obligation bonds. Bonds so secured shall have a first priority lien on such ad valorem taxes so levied and on all proceeds derived therefrom and shall have priority against all parties having claims of contract or tort or otherwise against the city or village, whether or not the parties have notice thereof. The absence of such declaration or affirmation shall not reduce or degrade the priority or secured status of such bonds otherwise existing under law.

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(ii) For purposes of this subdivision, statutory lien shall have the meaning given to that term under 11 U.S.C. 101(53) of the federal Bankruptcy Reform Act of 1994, as it existed on August 24, 2017.

(d) An actuary performing actuarial valuations pursuant to this subsection shall be a member of the American Academy of Actuaries and shall meet the academy's qualification standards to render a statement of actuarial opinion.

Sec. 68. Section 13-503, Reissue Revised Statutes of Nebraska, is amended to read:

13-503 For purposes of the Nebraska Budget Act, unless the context otherwise requires:

(1) Governing body means the governing body of any county agricultural society, elected county fair board, joint airport authority formed under the Joint Airport Authorities Act, city or county airport authority, bridge commission created pursuant to section 39-868, cemetery district, city, village, municipal county, community college, community redevelopment authority, county, drainage or levee district, educational service unit, rural or suburban fire protection district, historical society, hospital district, irrigation district, learning community, natural resources district, nonprofit county historical association or society for which a tax is levied under subsection (1) of section 23-355.01, public building commission, railroad transportation safety district, reclamation district, road improvement district, rural water district, school district, community improvement district, sanitary and improvement district, township, offstreet parking district, transit authority, regional metropolitan transit authority, metropolitan utilities district, Educational Service Unit Coordinating Council, political subdivision with the authority to have a property tax request, with the authority to levy a toll, or that receives state aid, and joint entity created pursuant to the Interlocal Cooperation Act that receives tax funds generated under section 2-3226.05;

(2) Levying board means any governing body which has the power or duty to levy a tax;

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(3) Fiscal year means the twelve-month period used by each governing body in determining and carrying on its financial and taxing affairs;

(4) Tax means any general or special tax levied against persons, property, or business for public purposes as provided by law but shall not include any special assessment;

(5) Auditor means the Auditor of Public Accounts;

(6) Cash reserve means funds required for the period before revenue would become available for expenditure but shall not include funds held in any special reserve fund;

(7) Public funds means all money, including nontax money, used in the operation and functions of governing bodies. For purposes of a county, city, or village which has a lottery established under the Nebraska County and City Lottery Act, only those net proceeds which are actually received by the county, city, or village from a licensed lottery operator shall be considered public funds, and public funds shall not include amounts awarded as prizes;

(8) Adopted budget statement means a proposed budget statement which has been adopted or amended and adopted as provided in section 13-506. Such term shall include additions, if any, to an adopted budget statement made by a revised budget which has been adopted as provided in section 13-511;

(9) Special reserve fund means any special fund set aside by the governing body for a particular purpose and not available for expenditure for any other purpose. Funds created for (a) the retirement of bonded indebtedness, (b) the funding of employee pension plans, (c) the purposes of the Political Subdivisions Self-Funding Benefits Act, (d) the purposes of the Local Option Municipal Economic Development Act, (e) voter-approved sinking funds, or (f) statutorily authorized sinking funds shall be considered special reserve funds;

(10) Biennial period means the two fiscal years comprising a biennium commencing in odd-numbered or even-numbered years used by a city, village, or natural resources district in determining and carrying on its financial and taxing affairs; and

(11) Biennial budget means (a) a budget by a city of the primary or

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metropolitan class that adopts a charter provision providing for a biennial period to determine and carry on the city's financial and taxing affairs, (b) a budget by a city of the first or second class or village that provides for a biennial period to determine and carry on the city's or village's financial and taxing affairs, or (c) a budget by a natural resources district that provides for a biennial period to determine and carry on the natural resources district's financial and taxing affairs.

Sec. 69. Section 13-518, Revised Statutes Supplement, 2025, is amended to read:

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

(1) Allowable growth means (a) for governmental units other than community colleges, the percentage increase in taxable valuation in excess of the base limitation established under section 77-3446, if any, due to (i) improvements to real property as a result of new construction and additions to existing buildings, (ii) any other improvements to real property which increase the value of such property, (iii) any increase in valuation due to annexation of real property by the governmental unit, (iv) a change in the use of real property, (v) any increase in personal property valuation over the prior year, and (vi) the accumulated excess valuation over the redevelopment project valuation described in section 18-2147 of the Community Development Law for redevelopment projects within the governmental unit in the year immediately after the division of taxes for such redevelopment project has ended and (b) for community colleges, the percentage increase in excess of the base limitation, if any, in full-time equivalent students from the second year to the first year preceding the year for which the budget is being determined;

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

(3) Governing body has the same meaning as in section 13-503, except that for fiscal years beginning on or after July 1, 2025, such term shall not include the governing body of any county, city, or village;

(4) Governmental unit means every political subdivision which has

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authority to levy a property tax or authority to request levy authority under section 77-3443, except that such term shall not include (a) community improvement districts and sanitary and improvement districts which have been in existence for five years or less, (b) school districts, or (c) for fiscal years beginning on or after July 1, 2025, counties, cities, or villages;

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

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

(7) State aid means:

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

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

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tax paid to municipalities;

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

(d) For community colleges, state aid to community colleges paid pursuant to the Community College Aid Act;

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

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

Sec. 70. Section 13-803, Reissue Revised Statutes of Nebraska, is amended to read:

13-803 For purposes of the Interlocal Cooperation Act:

(1) Joint entity shall mean an entity created by agreement pursuant to section 13-804;

(2) Public agency shall mean any county, city, village, school district, or agency of the state government or of the United States, any drainage district, community improvement district, sanitary and improvement district, or other municipal corporation or political subdivision of this state, and any political subdivision of another state;

(3) Public safety services shall mean public services for the protection of persons or property. Public safety services shall include law enforcement, fire protection, and emergency response services; and

(4) State shall mean a state of the United States and the District of Columbia.

Sec. 71. Section 13-2202, Revised Statutes Cumulative Supplement, 2024, is amended to read:

13-2202 For purposes of the Local Government Miscellaneous Expenditure Act:

(1) Elected and appointed officials and employees shall mean the elected and appointed officials and employees of any local government;

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(2) Governing body shall mean, in the case of a city of any class, the city council; in the case of a village, cemetery district, community hospital for two or more adjoining counties, county hospital, road improvement district, sanitary drainage district, community improvement district, or sanitary and improvement district, the board of trustees; in the case of a county, the county board; in the case of a municipal county, the council; in the case of a township, the town board; in the case of a school district, the school board; in the case of a rural or suburban fire protection district, reclamation district, natural resources district, regional metropolitan transit authority, or hospital district, the board of directors; in the case of a county, district, or city-county health department, the board of health; in the case of an educational service unit, the board; in the case of a community college, the Community College Board of Governors for the area the board serves; in the case of an airport authority, the airport authority board; in the case of a weed control authority, the board; in the case of a county agricultural society, the board of governors; and in the case of a learning community, the learning community coordinating council;

(3) Local government shall mean cities of any class, villages, cemetery districts, community hospitals for two or more adjoining counties, county hospitals, road improvement districts, counties, townships, sanitary drainage districts, community improvement districts, sanitary and improvement districts, school districts, rural or suburban fire protection districts, reclamation districts, natural resources districts, regional metropolitan transit authorities, hospital districts, county health departments, district health departments, city-county health departments, educational service units, community colleges, airport authorities, weed control authorities, county agricultural societies, and learning communities;

(4) Public funds shall mean such public funds as defined in section 13-503 as are under the direct control of governing bodies of local governments;

(5) Public meeting shall mean all regular, special, or called meetings, formal or informal, of any governing body for the purposes of briefing,

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discussion of public business, formation of tentative policy, or the taking of any action of the governing body; and

(6) Volunteer shall mean a person who is not an elected or appointed official or an employee of a local government and who, at the request or with the permission of the local government, engages in activities related to the purposes or functions of the local government or for its general benefit.

Sec. 72. Section 13-2503, Reissue Revised Statutes of Nebraska, is amended to read:

13-2503 For purposes of the Joint Public Agency Act:

(1) Board means the board of representatives of a joint public agency;

(2) Governing body has the same meaning as in section 13-503 and, when referring to state agencies, includes the governing board of a state agency or the Governor and, when referring to federal agencies, includes the governing board of a federal agency or the President of the United States;

(3) Joint public agency means an entity created by agreement pursuant to the act;

(4) Person means a natural person, public authority, private corporation, association, firm, partnership, limited liability company, or business trust of any nature whatsoever organized and existing under the laws of this state or of the United States or any other state thereof. The term does not include a joint public agency;

(5) Public agency means any county, city, village, school district, or agency of the state government or of the United States, any drainage district, community improvement district, sanitary and improvement district, or other municipal corporation or political subdivision of this state, and any political subdivision of another state;

(6) Representative means a member of the board and includes an alternate representative; and

(7) State means a state of the United States and the District of Columbia.

Sec. 73. Section 13-3304, Revised Statutes Cumulative Supplement, 2024, is amended to read:

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13-3304 (1) Any city which encompasses an area greater than three hundred acres eligible to be designated as an inland port district may propose to create an inland port authority by ordinance, subject to the cap on the total number of inland port districts provided in subsection (4) of this section. In determining whether to propose the creation of an inland port authority, the city shall consider the following criteria:

(a) The desirability and economic feasibility of locating an inland port district within the corporate boundaries, extraterritorial zoning jurisdiction, or both of the city;

(b) The technical and economic capability of the city and any other public and private entities to plan and carry out development within the proposed inland port district;

(c) The strategic location of the proposed inland port district in proximity to existing and potential transportation infrastructure that is conducive to facilitating regional, national, and international trade and the businesses and facilities that promote and complement such trade;

(d) The potential impact that development of the proposed inland port district will have on the immediate area; and

(e) The regional and statewide economic impact of development of the proposed inland port district.

(2) Any city and one or more counties in which a city of the metropolitan class, city of the primary class, or city of the first class is located, or in which the extraterritorial zoning jurisdiction of such city is located, which encompass an area greater than three hundred acres eligible to be designated as an inland port district may enter into an agreement pursuant to the Interlocal Cooperation Act to propose joint creation of an inland port authority, subject to the cap on the total number of inland port districts provided in subsection (4) of this section. In determining whether to propose the creation of an inland port authority, the city and counties shall consider the following criteria:

(a) The desirability and economic feasibility of locating an inland port

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district within the corporate boundaries or extraterritorial zoning jurisdiction or both of the city, or within both the corporate boundaries or extraterritorial zoning jurisdiction or both of a city and the boundaries of one or more counties;

(b) The technical and economic capability of the city and county or counties and any other public and private entities to plan and carry out development within the proposed inland port district;

(c) The strategic location of the proposed inland port district in proximity to existing and potential transportation infrastructure that is conducive to facilitating regional, national, and international trade and the businesses and facilities that promote and complement such trade;

(d) The potential impact that development of the proposed inland port district will have on the immediate area; and

(e) The regional and statewide economic impact of development of the proposed inland port district.

(3) Any county with a population greater than fifteen thousand inhabitants according to the most recent federal census or the most recent revised certified count by the United States Bureau of the Census which encompasses an area greater than three hundred acres eligible to be designated as an inland port district may propose to create an inland port authority by resolution, subject to the cap on the total number of inland port districts provided in subsection (4) of this section. In determining whether to propose the creation of an inland port authority, the county shall consider the following criteria:

(a) The desirability and economic feasibility of locating an inland port district within the county;

(b) The technical and economic capability of the county and any other public or private entities to plan and carry out development within the proposed inland port district;

(c) The strategic location of the proposed inland port district in proximity to existing and potential transportation infrastructure that is conducive to facilitating regional, national, and international trade and the

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businesses and facilities that promote and complement such trade;

(d) The potential impact that development of the proposed inland port district will have on the immediate area; and

(e) The regional and statewide economic impact of development of the proposed inland port district.

(4) No more than eight inland port districts may be designated statewide. No more than one inland port district may be designated within the boundaries of a city of the metropolitan class. No inland port authority shall designate more than one inland port district, and no inland port authority may be created without also designating an inland port district.

(5) Following the adoption of an ordinance, resolution, or execution of an agreement pursuant to the Interlocal Cooperation Act proposing creation of an inland port authority, the city clerk or county clerk shall transmit a copy of such ordinance, resolution, or agreement to the Department of Economic Development along with an application for approval of the proposal. Upon receipt of such ordinance, resolution, or agreement and application, the department shall evaluate the proposed inland port authority to determine whether the proposal meets the criteria in subsection (1), (2), or (3) of this section, whichever is applicable, as well as any prioritization criteria developed by the department. Upon a determination that the proposed inland port authority sufficiently meets such criteria, the Director of Economic Development shall certify to the city clerk or county clerk whether the proposed creation of such inland port authority exceeds the cap on the total number of inland port districts pursuant to subsection (4) of this section. If the department determines that the proposed inland port authority sufficiently meets such criteria and does not exceed such cap, the inland port authority shall be deemed created. If the proposed inland port authority does not sufficiently meet such criteria or exceeds such cap, the city shall repeal such ordinance, the county shall repeal such resolution, or the city and county or counties shall rescind such agreement and the proposed inland port authority shall not be created.

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Sec. 74. Section 13-3309, Reissue Revised Statutes of Nebraska, is amended to read:

13-3309 No inland port authority shall be required to pay any taxes or any assessments whatsoever to the State of Nebraska or to any political subdivision of the state, except for assessments under the Nebraska Workers' Compensation Act and any combined tax due or payments in lieu of contributions as required under the Employment Security Law. The bonds issued under the Municipal Inland Port Authority Act, the interest thereon, the proceeds received by a holder from the sale of such bonds to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity, proceeds received at maturity, and the receipt of such interest and proceeds of every inland port authority and the income therefrom shall, at all times, be exempt from any taxes and any assessments, except for inheritance and gift taxes and taxes on transfers. Any real or personal property subject to a lease agreement of an inland port authority, whether the authority is lessee or lessor, shall be exempt from property taxation pursuant to section 77-202.

Sec. 75. Section 14-102, Revised Statutes Cumulative Supplement, 2024, is amended to read:

14-102 In addition to the powers granted in section 14-101, cities of the metropolitan class shall have power by ordinance:

(1) To levy any tax or special assessment authorized by law;

(2) To provide a corporate seal for the use of the city, and also any official seal for the use of any officer, board, or agent of the city, whose duties require an official seal to be used. Such corporate seal shall be used in the execution of municipal bonds, warrants, conveyances, and other instruments and proceedings as required by law;

(3) To provide all needful rules and regulations for the protection and preservation of health within the city, including providing for the enforcement of the use of water from public water supplies when the use of water from other sources shall be deemed unsafe;

(4) To appropriate money and provide for the payment of debts and expenses

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of the city;

(5) To adopt all such measures as may be deemed necessary for the accommodation and protection of strangers and the traveling public in person and property;

(6) To punish and prevent the discharge of firearms, fireworks, or explosives of any description within the city, other than the discharge of firearms at a shooting range pursuant to the Nebraska Shooting Range Protection Act;

(7) To regulate the inspection and sale of meats, flour, poultry, fish, milk, vegetables, and all other provisions or articles of food exposed or offered for sale in the city;

(8) To require all elected or appointed officers to give bond and security for the faithful performance of their duties, except that no officer shall become bonded and secured upon the official bond of another or upon any bond executed to the city;

(9) To require from any officer of the city at any time a report, in detail, of the transactions of his or her office or any matter connected with such office;

(10) To provide for the prevention of cruelty to children and animals;

(11) To regulate, license, or prohibit the running at large of dogs and other animals within the city as well as in areas within the extraterritorial zoning jurisdiction of the city; to guard against injuries or annoyance from such dogs and other animals; and to authorize the destruction of such dogs and other animals when running at large contrary to the provisions of any ordinance. Any licensing provision shall comply with subsection (2) of section 54-603 for service animals;

(12) To provide for keeping sidewalks clean and free from obstructions and accumulations; to provide for the assessment and collection of taxes on real estate and for the sale and conveyance thereof; and to pay the expenses of keeping the sidewalk adjacent to such real estate clean and free from obstructions and accumulations as provided by law;

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(13) To provide for the planting and protection of shade or ornamental and useful trees upon streets or boulevards; to assess the cost of such trees to the extent of benefits upon the abutting property as a special assessment; to provide for the protection of birds and animals and their nests; to provide for the trimming of trees located upon streets and boulevards or when the branches of trees overhang streets and boulevards when in the judgment of the mayor and city council such trimming is made necessary to properly light such street or boulevard or to furnish proper police protection; and to assess the cost of such trimming upon the abutting property as a special assessment;

(14) To provide for, regulate, and require the numbering or renumbering of houses along public streets or avenues; and to care for and control and to name and rename streets, avenues, parks, and squares within the city;

(15) To require weeds and worthless vegetation growing upon any lot or piece of ground within the city or its extraterritorial zoning jurisdiction to be cut and destroyed so as to abate any nuisance occasioned by such vegetation; to prohibit and control the throwing, depositing, or accumulation of litter on any lot or piece of ground within the city or its extraterritorial zoning jurisdiction; to require the removal of such litter so as to abate any nuisance occasioned thereby. If the owner fails to cut and destroy weeds and worthless vegetation or remove litter, or both, after notice as required by ordinance, the city may assess the cost of such destruction or removal upon the lots or lands as a special assessment. The required notice may be by publication in the official newspaper of the city and may be directed in general terms to the owners of lots and lands affected without naming such owners;

(16) To prohibit and regulate the running at large or the herding or driving of domestic animals, such as hogs, cattle, horses, sheep, goats, fowls, or animals of any kind or description within the corporate limits; to provide for the impounding of all animals running at large, herded, or driven contrary to such prohibition and regulations; and to provide for the forfeiture and sale of animals impounded to pay the expense of taking up, caring for, and selling such impounded animals, including the cost of advertising and fees of officers;

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(17) To regulate the transportation of articles through the streets and to prevent injuries to the streets from overloaded vehicles;

(18) To prevent or regulate any amusement or practice having a tendency to annoy persons passing in the streets or on the sidewalks; and to regulate the use of vehicles propelled by steam, gas, electricity, or other motive power, operated on the streets of the city;

(19) To regulate or prohibit the transportation and keeping of gunpowder, oils, and other combustible and explosive articles;

(20) To regulate, license, or prohibit the sale of domestic animals or of goods, wares, and merchandise at public auction on the streets, alleys, highways, or any public ground within the city;

(21) To regulate and prevent the use of streets, sidewalks, and public grounds for signs, posts, awnings, awning posts, scales, or other like purposes; and to regulate and prohibit the exhibition or carrying or conveying of banners, placards, advertisements, or the distribution or posting of advertisements or handbills in the streets or public grounds or upon the sidewalks;

(22) To provide for the punishment of persons disturbing the peace by noise, intoxication, drunkenness, or fighting, or otherwise violating the public peace by indecent or disorderly conduct or by lewd and lascivious behavior;

(23) To provide for the punishment of vagrants, tramps, street beggars, prostitutes, disturbers of the peace, pickpockets, gamblers, burglars, thieves, persons who practice any game, trick, or device with intent to swindle, and trespassers upon private property;

(24) To prohibit, restrain, and suppress houses of prostitution, opium joints, gambling houses, prize fighting, dog fighting, cock fighting, and other disorderly houses and practices, all games and gambling, and all kinds of indecencies; to regulate and license or prohibit the keeping and use of billiard tables, bowling alleys, shooting galleries except as provided in the Nebraska Shooting Range Protection Act, and other similar places of amusement;

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and to prohibit and suppress all lotteries and gift enterprises of all kinds under whatsoever name carried on, except that nothing in this subdivision shall be construed to apply to bingo, lotteries, lotteries by the sale of pickle cards, or raffles conducted in accordance with the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, or the State Lottery Act;

(25) To make and enforce all police regulations for the good government, general welfare, health, safety, and security of the city and the citizens of the city in addition to the police powers expressly granted by law; in the exercise of the police power, to pass all needful and proper ordinances and impose fines, forfeitures, and penalties for the violation of any ordinance; to provide for the recovery, collection, and enforcement of such fines; and in default of payment to provide for confinement in the city or county prison or other place of confinement as may be provided by ordinance;

(26) To prevent immoderate driving on the street;

(27) To establish and maintain public libraries, art galleries, and museums and to provide the necessary grounds or buildings for such libraries, galleries, and museums; to purchase books, papers, maps, manuscripts, works of art, and objects of natural or of scientific curiosity and instruction for such libraries, galleries, and museums; to receive donations and bequests of money or property for such libraries, galleries, and museums in trust or otherwise; and to pass necessary bylaws and regulations for the protection and government of such libraries, art galleries, and museums;

(28) To erect, designate, establish, maintain, and regulate hospitals, houses of correction, jails, station houses, fire engine houses, asphalt repair plants, and other necessary buildings; to erect, designate, establish, maintain, and regulate plants for the removal, disposal, or recycling of garbage and refuse or to make contracts for garbage and refuse removal, disposal, or recycling, or all of the same; and to charge equitable fees for such removal, disposal, or recycling, or all of the same, except as provided by law. The fees collected pursuant to this subdivision shall be credited to a

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single fund to be used exclusively by the city for the removal, disposal, or recycling of garbage and refuse, or all of the same, including any costs incurred for collecting the fee. Before any contract for such removal, disposal, or recycling is let, the city council shall make specifications for such contract, bids shall be advertised for as now provided by law, and the contract shall be let to the lowest and best bidder, who shall furnish bond to the city conditioned upon his or her carrying out the terms of the contract, the bond to be approved by the city council. Nothing in this section, and no contract or regulation made by the city council, shall be so construed as to prohibit any person, firm, or corporation engaged in any business in which garbage or refuse accumulates as a byproduct from selling, recycling, or otherwise disposing of his, her, or its garbage or refuse or hauling such garbage or refuse through the streets and alleys under such uniform and reasonable regulations as the city council may by ordinance prescribe for the removal and hauling of garbage or refuse;

(29) To erect and establish market houses and market places and to provide for the erection of all other useful and necessary buildings for the use of the city and for the protection and safety of all property owned by the city. Such market houses, market places, and buildings may be located on any street, alley, or public ground or on land purchased for such purpose;

(30) To prohibit the establishment of additional cemeteries within the limits of the city; to regulate the registration of births and deaths; to direct the keeping and returning of bills of mortality; and to impose penalties on physicians, sextons, and others for any default in the premises;

(31) To provide for the inspection of steam boilers, electric light appliances, pipefittings, and plumbings; to regulate their erection and construction; to appoint inspectors; and to declare their powers and duties, except as otherwise provided by law;

(32) To enact a fire code and regulate the erection of all buildings and other structures within the corporate limits; to provide for the removal of any buildings or structures or additions to buildings or structures erected

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contrary to such code or regulations and to provide for the removal of dangerous buildings; but no such code or regulation shall be suspended or modified by resolution, nor shall exceptions be made by ordinance or resolution in favor of any person, firm, or corporation or concerning any particular lot or building; to direct that when any building has been damaged by fire, decay, or otherwise, to the extent of fifty percent of the value of a similar new building above the foundation, shall be torn down or removed; to prescribe the manner of ascertaining such damages and to assess the cost of removal of any building erected or existing contrary to such code or regulations against the lot or real estate upon which such building or structure is located or shall be erected or to collect such costs from the owner of any such building or structure; and to enforce the collection of such costs by civil action in any court of competent jurisdiction;

(33) To regulate the construction, use, and maintenance of party walls, to prescribe and regulate the thickness, strength, and manner of constructing stone, brick, wood, or other buildings and the size and shape of brick and other material placed in such buildings; to prescribe and regulate the construction and arrangement of fire escapes and the placing of iron and metallic shutters and doors in or on such fire escapes; to provide for the inspection of elevators; to prescribe, regulate, and provide for the inspection of all plumbing, pipefitting, or sewer connections in all houses or buildings now or hereafter erected; to regulate the size, number, and manner of construction of halls, doors, stairways, seats, aisles, and passageways of theaters and buildings of a public character, whether now built or hereafter to be built, so that there may be convenient, safe, and speedy exit in case of fire; to prevent the dangerous construction and condition of chimneys, fireplaces, hearths, stoves, stovepipes, ovens, boilers, and heating appliances used in or about any building and to cause such appliances to be removed or placed in safe condition when they are considered dangerous; to prevent the deposit of ashes in unsafe places and to cause such buildings and enclosures as may be in a dangerous state to be put in a safe condition; to prevent the

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disposing of and delivery or use in any building or other structure of unsuitable building material within the city limits and provide for the inspection of building materials; to provide for the abatement of dense volumes of smoke; to regulate the construction of areaways, stairways, and vaults and to regulate partition fences; and to enforce proper heating and ventilation of buildings used for schools or other buildings where large numbers of persons are liable to congregate;

(34) To regulate levees, depots and depot grounds, and places for storing freight and goods and to provide for and regulate the laying of tracks and the passage of railways through the streets, alleys, and public grounds of the city;

(35) To require the lighting of any railway within the city and to fix and determine the number, size, and style of all fixtures and apparatus necessary for such lighting and the points of location for such lampposts. If any company owning or operating such railways shall fail to comply with such requirements, the city council may cause such lighting to be done and may assess the expense of such lighting against such company. Such expense shall constitute a lien upon any real estate belonging to such company and lying within such city and may be collected in the same manner as taxes for general purposes;

(36) To provide for necessary publicity and to appropriate money for the purpose of advertising the resources and advantages of the city;

(37) To erect, establish, and maintain offstreet parking areas on publicly owned property located beneath any elevated segment of the National System of Interstate and Defense Highways or portion thereof, or public property title to which is in the city on May 12, 1971, or property owned by the city and used in conjunction with and incidental to city-operated facilities; and to regulate parking on such property by time limitation devices or by lease;

(38) To acquire, by the exercise of the power of eminent domain or otherwise, lease, purchase, construct, own, maintain, operate, or contract for the operation of public passenger transportation systems, excluding taxicabs, transportation network companies and railroad systems, including all property

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and facilities required for such public passenger transportation systems, within and without the limits of the city; to redeem such property from prior encumbrance in order to protect or preserve the interest of the city in such property; to exercise all powers granted by the Constitution of Nebraska and laws of the State of Nebraska or exercised by or pursuant to a home rule charter adopted pursuant thereto, including, but not limited to, receiving and accepting from the government of the United States or any agency thereof, from the State of Nebraska or any subdivision thereof, and from any person or corporation donations, devises, gifts, bequests, loans, or grants for or in aid of the acquisition, operation, and maintenance of such public passenger transportation systems; to administer, hold, use, and apply such donations, devises, gifts, bequests, loans, or grants for the purposes for which such donations, devises, gifts, bequests, loans, or grants may have been made; to negotiate with employees and enter into contracts of employment; to employ by contract or otherwise individuals singularly or collectively; to enter into agreements authorized under the Interlocal Cooperation Act or the Joint Public Agency Act; to contract with an operating and management company for the purpose of operating, servicing, and maintaining any public passenger transportation systems the city shall acquire; and to exercise such other and further powers as may be necessary, incident, or appropriate to the powers of the city;

(39) In addition to powers conferred elsewhere in the laws of the state, to implement and enforce an air pollution control program within the corporate limits of the city under subdivision (23) of section 81-1504 or subsection (1) of section 81-1528, which program shall be consistent with the federal Clean Air Act, as amended, 42 U.S.C. 7401 et seq. Such powers shall include without limitation those involving injunctive relief, civil penalties, criminal fines, and burden of proof. Nothing in this section shall preclude the control of air pollution by resolution, ordinance, or regulation not in actual conflict with state air pollution control regulations; and

(40) To regulate any housing agency in a city of the metropolitan class,

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with respect to:

(a) Providing for code enforcement for all properties owned and controlled by such housing agency;

(b) Providing for complaint-based inspections of all properties managed by such housing agency;

(c) Requiring all properties managed by such housing agency to be registered pursuant to any rental registration ordinance adopted by such city of the metropolitan class;

(d) Setting penalties for code violations and failure to properly manage properties; and

(e) Requiring monthly updates to the city council of such city of the metropolitan class. Such update shall include complaint information on pest control issues and any mitigation efforts completed by the housing agency.

Sec. 76. Section 18-2102, Revised Statutes Supplement, 2025, is amended to read:

18-2102 It is hereby found and declared that there exist in cities of all classes and villages of this state areas which have deteriorated and become substandard and blighted because of the unsafe, insanitary, inadequate, or overcrowded condition of the dwellings therein, or because of inadequate planning of the area, or excessive land coverage by the buildings thereon, or the lack of proper light and air and open space, or because of the defective design and arrangement of the buildings thereon, or faulty street or lot layout, or congested traffic conditions, or economically or socially undesirable land uses, or the lack of affordable housing in the area, or the existence of underdeveloped parcels that have been within the extraterritorial zoning jurisdiction of the city for more than twenty-five years. Such conditions or a combination of some or all of them have resulted and will continue to result in making such areas economic or social liabilities harmful to the social and economic well-being of the entire communities in which they exist, needlessly increasing public expenditures, imposing onerous municipal burdens, decreasing the tax base, reducing tax revenue, substantially impairing

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or arresting the sound growth of municipalities, aggravating traffic problems, substantially impairing or arresting the elimination of traffic hazards and the improvement of traffic facilities, and depreciating general community-wide values. The existence of such areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency, and for the maintenance of adequate police, fire, and accident protection and other public services and facilities. These conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided. The elimination of such conditions and the acquisition and preparation of land in or necessary to the renewal of substandard and blighted areas and its sale or lease for development or redevelopment in accordance with general plans and redevelopment plans of communities and any assistance which may be given by any state public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired. The necessity in the public interest for the provisions of the Community Development Law is hereby declared to be a matter of legislative determination.

It is further found and declared that the prevention and elimination of blight is a matter of state policy, public interest, and statewide concern and within the powers and authority inhering in and reserved to the state, in order that the state and its municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of their revenue.

It is further found and declared that certain substandard and blighted areas, or portions thereof, may require acquisition, clearance, and disposition, subject to use restrictions, as provided in the Community Development Law, since the prevailing conditions of decay may make

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impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in the Community Development Law, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils, hereinbefore enumerated, may be eliminated, remedied, or prevented; and that salvageable substandard and blighted areas can be conserved and rehabilitated through appropriate public action and the cooperation and voluntary action of the owners and tenants of property in such areas.

Sec. 77. Section 18-2103, Revised Statutes Supplement, 2025, is amended to read:

18-2103 For purposes of the Community Development Law, unless the context otherwise requires:

(1) Affordable housing means (a) workforce housing, (b) housing targeted for households earning less than one hundred fifty percent of the median income for the county in which such housing is located, or (c) housing under section 42 of the Internal Revenue Code;

(2) Area of operation means and includes the area within the corporate limits of the city, the land that lies within the city's extraterritorial zoning jurisdiction, and such land outside the city and outside the city's extraterritorial zoning jurisdiction as may come within the purview of section 18-2123.01;

(3) Authority means any community redevelopment authority created pursuant to section 18-2102.01 and any community development agency created pursuant to section 18-2101.01 and does not include a limited community redevelopment authority;

(4) Blighted area means an area (a) which, by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective

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or unusual conditions of title, improper subdivision, obsolete or no platting, the existence of conditions which endanger life or property by fire and other causes, or the existence of underdeveloped parcels that have been within the extraterritorial zoning jurisdiction of the city for more than twenty-five years, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; (v) the area has had either stable or decreasing population based on the last two decennial censuses; or (vi) less than twenty percent of the housing in the area is affordable housing. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city and the city's extraterritorial zoning jurisdiction as blighted, a city of the second class shall not designate an area larger than fifty percent of the city and the city's extraterritorial zoning jurisdiction as blighted, and a village shall not designate an area larger than one hundred percent of the village and the village's extraterritorial zoning jurisdiction as blighted. A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01, any area which is located within a good life district established under the Good Life Transformational Projects Act, and any area declared to be an extremely blighted area under section 18-2101.02 shall not count towards the percentage limitations contained in this subdivision;

(5) Bonds means any bonds, including refunding bonds, notes, interim

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certificates, debentures, or other obligations issued pursuant to the Community Development Law except for bonds issued pursuant to section 18-2142.04;

(6) Business means any private business located in an enhanced employment area;

(7) City means any city or incorporated village in the state;

(8) Clerk means the clerk of the city or village;

(9) Community redevelopment area means a substandard and blighted area which the community redevelopment authority designates as appropriate for a redevelopment project;

(10) Employee means a person employed at a business as a result of a redevelopment project;

(11) Employer-provided health benefit means any item paid for by the employer in total or in part that aids in the cost of health care services, including, but not limited to, health insurance, health savings accounts, and employer reimbursement of health care costs;

(12) Enhanced employment area means an area not exceeding six hundred acres (a) within a community redevelopment area which is designated by an authority as eligible for the imposition of an occupation tax or (b) not within a community redevelopment area as may be designated under section 18-2142.04;

(13) Equivalent employees means the number of employees computed by (a) dividing the total hours to be paid in a year by (b) the product of forty times the number of weeks in a year;

(14) Extremely blighted area means:

(a) A substandard and blighted area in which: (i) The average rate of unemployment in the area during the period covered by the most recent American Community Survey 5-Year Estimate is at least one hundred fifty percent of the average rate of unemployment in the state during the same period; and (ii) the average poverty rate in the area exceeds fifteen percent for the total federal census tract or tracts or federal census block group or block groups in the area; or

(b) A substandard and blighted area that has a higher-than-average

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unemployment rate and a higher-than-average poverty rate when compared to the rest of the state, as determined by the governing body of the city. In making such determination, the governing body may use any information available to such governing body. This subdivision (b) shall only apply if the governing body determines that the federal data described in subdivision (14)(a) of this section is unreliable or lacking for the area in question;

(15) Federal government means the United States of America, or any agency or instrumentality, corporate or otherwise, of the United States of America;

(16) Governing body or local governing body means the city council, board of trustees, or other legislative body charged with governing the municipality;

(17) Limited community redevelopment authority means a community redevelopment authority created pursuant to section 18-2102.01 having only one single specific limited pilot project authorized;

(18) Mayor means the mayor of the city or chairperson of the board of trustees of the village;

(19) New investment means the value of improvements to real estate made in an enhanced employment area by a developer or a business;

(20) Number of new employees means the number of equivalent employees that are employed at a business as a result of the redevelopment project during a year that are in excess of the number of equivalent employees during the year immediately prior to the year that a redevelopment plan is adopted;

(21) Obligee means any bondholder, agent, or trustee for any bondholder, or lessor demising to any authority, established pursuant to section 18-2102.01, property used in connection with a redevelopment project, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with such authority;

(22) Occupation tax means a tax imposed under section 18-2142.02;

(23) Person means any individual, firm, partnership, limited liability company, corporation, company, association, joint-stock association, or body politic and includes any trustee, receiver, assignee, or other similar representative thereof;

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(24) Public body means the state or any municipality, county, township, board, commission, authority, district, or other political subdivision or public body of the state;

(25) Real property means all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage, or otherwise, and the indebtedness secured by such liens;

(26) Redeveloper means any person, partnership, or public or private corporation or agency which enters or proposes to enter into a redevelopment contract;

(27) Redevelopment contract means a contract entered into between an authority and a redeveloper for the redevelopment of an area in conformity with a redevelopment plan;

(28) Redevelopment plan means a plan, as it exists from time to time for one or more community redevelopment areas, or for a redevelopment project, which (a) conforms to the general plan for the municipality as a whole and (b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements;

(29) Redevelopment project means any work or undertaking in one or more community redevelopment areas: (a) To acquire substandard and blighted areas or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance, development, or redevelopment of such substandard and blighted areas; (b) to clear any such areas by demolition or removal of existing buildings, structures, streets, utilities, or other improvements thereon and to install, construct, or reconstruct streets, utilities, parks, playgrounds, public spaces, public parking facilities, sidewalks or moving sidewalks, convention and civic

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centers, bus stop shelters, lighting, benches or other similar furniture, trash receptacles, shelters, skywalks and pedestrian and vehicular overpasses and underpasses, enhancements to structures in the redevelopment plan area which exceed minimum building and design standards in the community and prevent the recurrence of substandard and blighted conditions, and any other necessary public improvements essential to the preparation of sites for uses in accordance with a redevelopment plan; (c) to sell, lease, or otherwise make available land in such areas for residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or for public use or to retain such land for public use, in accordance with a redevelopment plan; and may also include the preparation of the redevelopment plan, the planning, survey, and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project; (d) to dispose of all real and personal property or any interest in such property, or assets, cash, or other funds held or used in connection with residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or any public use specified in a redevelopment plan or project, except that such disposition shall be at its fair value for uses in accordance with the redevelopment plan; (e) to acquire real property in a community redevelopment area which, under the redevelopment plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitate the structures, and resell the property; (f) to carry out plans for a program of voluntary or compulsory repair, rehabilitation, or demolition of buildings in accordance with the redevelopment plan; (g) to carry out construction of affordable housing; and (h) to carry out the development of underdeveloped parcels that have been within the extraterritorial zoning jurisdiction of the city for more than twenty-five years;

(30) Redevelopment project valuation means the valuation for assessment of the taxable real property in a redevelopment project last certified for the

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year prior to the effective date of the provision authorized in section 18-2147;

(31) Rural community means any municipality in a county with a population of fewer than one hundred thousand inhabitants as determined by the most recent federal decennial census;

(32) Substandard area means (a) an area in which less than twenty percent of the housing is affordable housing, (b) an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare, or (c) an area within the city's extraterritorial zoning jurisdiction that contains underdeveloped parcels that have been underdeveloped for more than twenty-five years; and

(33) Workforce housing means:

(a) Housing that meets the needs of today's working families;

(b) Housing that is attractive to new residents considering relocation to a rural community;

(c) Owner-occupied housing units that cost not more than two hundred seventy-five thousand dollars to construct or rental housing units that cost not more than two hundred thousand dollars per unit to construct. For purposes of this subdivision (c), housing unit costs shall be updated annually by the Department of Economic Development based upon the most recent increase or decrease in the Producer Price Index for all commodities, published by the United States Department of Labor, Bureau of Labor Statistics;

(d) Owner-occupied and rental housing units for which the cost to substantially rehabilitate exceeds fifty percent of a unit's assessed value;

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and

(e) Upper-story housing.

Sec. 78. Section 18-2108, Reissue Revised Statutes of Nebraska, is amended to read:

18-2108 An authority shall not acquire real property for a redevelopment project within the corporate limits of a city or a city's extraterritorial zoning jurisdiction unless the governing body of such city has approved the redevelopment plan, as prescribed in section 18-2116 or 18-2155.

Sec. 79. Section 18-2123, Reissue Revised Statutes of Nebraska, is amended to read:

18-2123 Upon a determination, by resolution, of the governing body of the city in which such land is located, that the acquisition and development of undeveloped vacant land, not within a substandard and blighted area, is essential to the proper clearance or redevelopment of substandard and blighted areas or a necessary part of the general community redevelopment program of the city, the acquisition, planning, and preparation for development or disposal of such land shall constitute a redevelopment project which may be undertaken by the authority in the manner provided in the Community Development Law.

Sec. 80. Section 18-2123.01, Reissue Revised Statutes of Nebraska, is amended to read:

18-2123.01 (1) Notwithstanding any other provisions of the Community Development Law to the contrary, a city may undertake a redevelopment project that includes real property located outside the corporate limits of such city and outside the city's extraterritorial zoning jurisdiction if the following requirements have been met:

(a) The real property located outside the corporate limits of the city and outside the city's extraterritorial zoning jurisdiction is a formerly used defense site;

(b) The formerly used defense site is located within the same county as the city approving such redevelopment project;

(c) The formerly used defense site is located within a sanitary and

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improvement district;

(d) The governing body of the city approving such redevelopment project passes an ordinance stating such city's intent to annex the formerly used defense site in the future; and

(e) The redevelopment project has been consented to by any city exercising extraterritorial jurisdiction over the formerly used defense site.

(2) For purposes of this section, formerly used defense site means real property that was formerly owned by, leased to, or otherwise possessed by the United States and under the jurisdiction of the United States Secretary of Defense. Formerly used defense site does not include missile silos.

(3) The inclusion of a formerly used defense site in any redevelopment project under this section shall not result in:

(a) Any change in the service area of any electric utility or natural gas utility unless such change has been agreed to by the electric utility or natural gas utility serving the formerly used defense site at the time of approval of such redevelopment project; or

(b) Any change in the service area of any communications company as defined in section 77-2734.04 unless (i) such change has been agreed to by the communications company serving the formerly used defense site at the time of approval of such redevelopment project or (ii) such change occurs pursuant to sections 86-135 to 86-138.

(4) A city approving a redevelopment project under this section and the county in which the formerly used defense site is located may enter into an agreement pursuant to the Interlocal Cooperation Act in which the county agrees to reimburse such city for any services the city provides to the formerly used defense site after approval of the redevelopment project.

Sec. 81. Section 18-2147, Revised Statutes Supplement, 2025, is amended to read:

18-2147 (1) Any redevelopment plan as originally approved or as later modified pursuant to section 18-2117 may contain a provision that any ad valorem tax levied upon real property, or any portion thereof, in a

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redevelopment project for the benefit of any public body shall be divided, for the applicable period described in subsection (4) of this section, as follows:

(a) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body. When there is not a redevelopment project valuation on a parcel or parcels, the county assessor shall determine the redevelopment project valuation based upon the fair market valuation of the parcel or parcels as of January 1 of the year prior to the year that the ad valorem taxes are to be divided. The county assessor shall provide written notice of the redevelopment project valuation to the authority as defined in section 18-2103 and the owner. The authority or owner may protest the valuation to the county board of equalization within thirty days after the date of the valuation notice. All provisions of section 77-1502 except dates for filing of a protest, the period for hearing protests, and the date for mailing notice of the county board of equalization's decision are applicable to any protest filed pursuant to this section. The county board of equalization shall decide any protest filed pursuant to this section within thirty days after the filing of the protest. The county clerk shall mail a copy of the decision made by the county board of equalization on protests pursuant to this section to the authority or owner within seven days after the board's decision. Any decision of the county board of equalization may be appealed to the Tax Equalization and Review Commission, in accordance with section 77-5013, within thirty days after the date of the decision;

(b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract, bond resolution, or redevelopment plan, as applicable, in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or

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otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies. An authority may use a single fund for purposes of this subdivision for all redevelopment projects or may use a separate fund for each redevelopment project; and

(c) Any interest and penalties due for delinquent taxes shall be paid into the funds of each public body in the same proportion as are all other taxes collected by or for the public body.

(2) To the extent that a redevelopment plan authorizes the division of ad valorem taxes levied upon only a portion of the real property included in such redevelopment plan, any improvements funded by such division of taxes shall be related to the redevelopment plan that authorized such division of taxes.

(3)(a) For any redevelopment plan located in a city of the metropolitan class that includes a division of taxes, as provided in this section, that produces, in whole or in part, funds to be used directly or indirectly for (i) new construction, rehabilitation, or acquisition of housing for households with annual incomes below the area median income for households and located within six hundred yards of a public passenger streetcar or (ii) new construction, rehabilitation, or acquisition of single-family housing or condominium housing used as primary residences for individuals with annual incomes below the area median income for individuals, such housing shall be deemed related to the redevelopment plan that authorized such division of taxes regardless of whether such housing is or will be located on real property within such redevelopment plan, as long as such housing supports activities occurring on or identified in such redevelopment plan.

(b) During each fiscal year in which the funds described in subdivision (a) of this subsection are available, the authority and city shall make best efforts to allocate not less than thirty percent of such funds to single-family

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housing deemed related to the redevelopment plan described under such subdivision.

(c) In selecting projects to receive funding, the authority and city shall develop a qualified allocation plan and give first priority to financially viable projects that serve the lowest income occupants for the longest period of time.

(4)(a) For any redevelopment plan for which more than fifty percent of the property in the redevelopment project area has been declared an extremely blighted area in accordance with section 18-2101.02, ad valorem taxes shall be divided for a period not to exceed twenty years after the effective date as identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to section 18-2124.

(b) For all other redevelopment plans, ad valorem taxes shall be divided for a period not to exceed fifteen years after the effective date as identified in the project redevelopment contract, in the resolution of the authority authorizing the issuance of bonds pursuant to section 18-2124, or in the redevelopment plan, whichever is applicable.

(5) The effective date of a provision dividing ad valorem taxes as provided in subsection (4) of this section shall not occur until such time as the real property in the redevelopment project is within the corporate boundaries of the city or within the city's extraterritorial zoning jurisdiction. This subsection shall not apply to a redevelopment project involving a formerly used defense site as authorized in section 18-2123.01.

(6) All notices of the provision for dividing ad valorem taxes shall be sent by the authority to the county assessor on forms prescribed by the Property Tax Administrator. The notice shall be sent to the county assessor on or before July 1 of the year of the effective date of the provision. Failure to satisfy the notice requirement of this section shall result in the taxes, for all taxable years affected by the failure to give notice of the effective date of the provision, remaining undivided and being paid into the funds for each public body receiving property taxes generated by the property in the

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redevelopment project. However, the redevelopment project valuation for the remaining division of ad valorem taxes in accordance with subdivisions (1)(a) and (b) of this section shall be the last certified valuation for the taxable year prior to the effective date of the provision to divide the taxes for the remaining portion of the twenty-year or fifteen-year period pursuant to subsection (4) of this section.

Sec. 82. Section 18-2155, Revised Statutes Cumulative Supplement, 2024, is amended to read:

18-2155 (1) The governing body of a city may elect by resolution to allow expedited reviews of redevelopment plans that meet the requirements of subsection (2) of this section. A redevelopment plan that receives an expedited review pursuant to this section shall be exempt from the requirements of sections 18-2111 to 18-2115 and 18-2116.

(2) A redevelopment plan is eligible for expedited review under this section if:

(a) The redevelopment plan includes only one redevelopment project;

(b) The redevelopment project involves:

(i) The repair, rehabilitation, or replacement of an existing structure that has been within the corporate limits of the city or the city's extraterritorial zoning jurisdiction for at least twenty-five years and is located within a substandard and blighted area; or

(ii) The redevelopment of a vacant platted lot or nonconforming lot of record that is located within a substandard and blighted area that has been within the corporate limits of the city or the city's extraterritorial zoning jurisdiction for at least twenty-five years and has been platted or recorded for at least twenty-five years;

(c) The redevelopment project is located in a county with a population of less than one hundred thousand inhabitants; and

(d) The assessed value of the property within the redevelopment project area when the project is complete is estimated to be no more than:

(i) Three hundred fifty thousand dollars for a redevelopment project

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involving a single-family residential structure;

(ii) One million five hundred thousand dollars for a redevelopment project involving a multi-family residential structure or commercial structure; or

(iii) Ten million dollars for a redevelopment project involving the revitalization of a structure included in the National Register of Historic Places.

(3) The governing body of a city that elects to allow expedited reviews of redevelopment plans under this section may establish by resolution an annual limit on the number of such redevelopment plans that may be approved by the governing body.

(4) The expedited review shall consist of the following steps:

(a) A redeveloper shall prepare the redevelopment plan using a standard form developed by the Department of Economic Development. The form shall include (i) the existing uses and condition of the property within the redevelopment project area, (ii) the proposed uses of the property within the redevelopment project area, (iii) the number of years the existing structure or vacant platted lot or nonconforming lot of record has been within the corporate limits of the city or the city's extraterritorial zoning jurisdiction, (iv) the current assessed value of the property within the redevelopment project area, (v) the increase in the assessed value of the property within the redevelopment project area that is estimated to occur as a result of the redevelopment project, (vi) an indication of whether the redevelopment project will be financed in whole or in part through the division of taxes as provided in section 18-2147, and (vii) the agreed-upon costs of the redevelopment project;

(b) The redeveloper shall submit the redevelopment plan directly to the governing body along with an application fee in an amount set by the governing body, not to exceed fifty dollars. Such application fee shall be separate from any fees for building permits or other permits needed for the project; and

(c) The governing body shall determine whether to approve or deny the redevelopment plan within thirty days after submission of the plan. A redevelopment plan may be denied if:

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(i) The redevelopment plan does not meet the requirements of subsection (2) of this section;

(ii) Approval of the redevelopment plan would exceed the annual limit established under subsection (3) of this section; or

(iii) The redevelopment plan is inconsistent with the city's comprehensive development plan.

(5) Each city may select the appropriate employee or department to conduct expedited reviews pursuant to this section.

(6) For any approved redevelopment project that is financed in whole or in part through the division of taxes as provided in section 18-2147:

(a) The authority shall incur indebtedness related to the redevelopment project which shall not exceed the lesser of the agreed-upon costs of the redevelopment project or the amount estimated to be generated over a fifteen-year period from the portion of taxes mentioned in subdivision (1)(b) of section 18-2147. Such indebtedness shall not create a general obligation on behalf of the authority or the city in the event that the amount generated over a fifteen-year period from the portion of taxes mentioned in subdivision (1)(b) of section 18-2147 does not equal the costs of the agreed-upon work to repair, rehabilitate, or replace the structure or to redevelop the vacant platted lot or nonconforming lot of record as provided in the redevelopment plan;

(b) Upon completion of the agreed-upon work to repair, rehabilitate, or replace the structure or to redevelop the vacant platted lot or nonconforming lot of record as provided in the redevelopment plan, the redeveloper shall notify the county assessor of such completion; and

(c) The county assessor shall then determine:

(i) Whether the redevelopment project is complete. Redevelopment projects must be completed within two years after the redevelopment plan is approved under this section; and

(ii) The assessed value of the property within the redevelopment project area.

(7) After the county assessor makes the determinations required under

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subdivision (6)(c) of this section, the county assessor shall use a standard certification form developed by the Department of Revenue to certify to the authority:

(a) That improvements have been made and completed;

(b) That a valuation increase has occurred;

(c) The amount of the valuation increase; and

(d) That the valuation increase was due to the improvements made.

(8) Once the county assessor has made the certification required under subsection (7) of this section, the authority may begin to use the portion of taxes mentioned in subdivision (1)(b) of section 18-2147 to pay the indebtedness incurred by the authority under subdivision (6)(a) of this section.

(9) The payments shall be remitted to the holder of the indebtedness. The changes made to this subsection by Laws 2023, LB531, shall be retroactive in application and shall apply to redevelopment plans approved prior to, on, or after June 7, 2023.

(10) A single fund may be used for all redevelopment projects that receive an expedited review pursuant to this section. It shall not be necessary to create a separate fund for any such project, including a project financed in whole or in part through the division of taxes as provided in section 18-2147.

(11) The governing body of a city that elects to allow expedited reviews of redevelopment plans under this section may revoke such election by resolution at any time. The revocation of such election shall not affect the validity of (a) any redevelopment plan or redevelopment project that was approved under this section prior to the revocation of such election or (b) any indebtedness incurred by the authority under subdivision (6)(a) of this section prior to the revocation of such election.

Sec. 83. Section 18-2705, Reissue Revised Statutes of Nebraska, is amended to read:

18-2705 (1) Economic development program means any project or program utilizing funds derived from local sources of revenue for the purpose of

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providing direct or indirect financial assistance to a qualifying business or the payment of related costs and expenses or both, without regard to whether that business is identified at the time the project or program is initiated or is to be determined by specified means at some time in the future.

(2) An economic development program may include, but shall not be limited to: (a) Direct loans or grants to qualifying businesses for fixed assets or working capital or both, (b) loan guarantees for qualifying businesses, (c) grants for public works improvements which are essential to the location or expansion of, or the provision of new services by, a qualifying business, (d) grants or loans to qualifying businesses for job training, (e) the purchase of real estate, options for such purchases, and the renewal or extension of such options, (f) grants or loans to qualifying businesses to provide relocation incentives for new residents, (g) the issuance of bonds as provided for in the Local Option Municipal Economic Development Act, and (h) payments for salaries and support of city staff to implement the economic development program or develop an affordable housing action plan, including any such plan required under section 19-5505, or payments for the contracting of such program implementation or plan development to an outside entity.

(3) An economic development program may also include grants, loans, or funds for construction or rehabilitation for sale or lease of housing (a) for persons of low or moderate income, (b) as part of a workforce housing plan, or (c) as part of an affordable housing action plan, including any such plan required under section 19-5505.

(4) For cities of the first class, cities of the second class, and villages, an economic development program may also include grants, loans, or funds for:

(a) Rural infrastructure development as defined in section 66-2102; or

(b) Early childhood infrastructure development.

(5) An economic development program may be conducted jointly by two or more cities after the approval of the program by the voters of each participating city.

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Sec. 84. Section 18-2709, Revised Statutes Supplement, 2025, is amended to read:

18-2709 (1) Qualifying business means any corporation, partnership, limited liability company, or sole proprietorship which derives its principal source of income from any of the following: The manufacture of articles of commerce; the conduct of research and development; the processing, storage, transport, or sale of goods or commodities which are sold or traded in interstate commerce; the sale of services in interstate commerce; headquarters facilities relating to eligible activities as listed in this section; telecommunications activities, including services providing advanced telecommunications capability; tourism-related activities; or the production of films, including feature, independent, and documentary films, commercials, and television programs.

(2) Qualifying business also means:

(a) A business that derives its principal source of income from the construction or rehabilitation of housing;

(b) In cities of the first class, cities of the second class, and villages, a business that derives its principal source of income from early childhood care and education programs;

(c) A business that derives its principal source of income from retail trade. For purposes of this subdivision, retail trade means a business which is principally engaged in the sale of goods or commodities to ultimate consumers for their own use or consumption and not for resale; and

(d) In cities with a population of five thousand inhabitants or less as determined by the most recent federal decennial census or the most recent revised certified count by the United States Bureau of the Census, a business shall be a qualifying business even though it derives its principal source of income from activities other than those set out in this section.

(3) If a business which would otherwise be a qualifying business employs people and carries on activities in more than one city in Nebraska or will do so at any time during the first year following its application for

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participation in an economic development program, it shall be a qualifying business only if, in each such city, it maintains employment for the first two years following the date on which such business begins operations in the city as a participant in its economic development program at a level not less than its average employment in such city over the twelve-month period preceding participation.

(4) A qualifying business need not be located within the territorial boundaries of the city from which it is or will be receiving financial assistance.

(5) Qualifying business does not include a political subdivision, a state agency, or any other governmental entity, except as allowed for cities of the first class, cities of the second class, and villages for rural infrastructure development as provided for in subdivision (4)(a) of section 18-2705.

Sec. 85. Section 31-735, Revised Statutes Cumulative Supplement, 2024, is amended to read:

31-735 (1) On the first Tuesday after the second Monday in September which is at least fifteen months after the judgment of the district court creating a sanitary and improvement district and on the first Tuesday after the second Monday in September each two years thereafter, the board of trustees shall cause a special election to be held, at which election a board of trustees shall be elected. The board of trustees shall have five members except as provided in subsection (2) of this section. Each member elected to the board of trustees shall be elected to a term of two years and shall hold office until such member's successor is elected and qualified. Any person desiring to file for the office of trustee may file for such office with the election commissioner, or county clerk in counties having no election commissioner, of the county in which the greater proportion in area of the district is located not later than fifty days before the election. If such person will serve on the board of trustees as a designated representative of a limited partnership, general partnership, limited liability company, public, private, or municipal corporation, estate, or trust which owns real estate in the district, the

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filing shall indicate that fact and shall include appropriate documentation evidencing such fact. No filing fee shall be required. A person filing for the office of trustee to be elected at the election held four years after the first election of trustees and each election thereafter shall designate whether such person is a candidate for election by the resident owners of such district or a candidate for election by all of the owners of real estate located in the district. If a person filing for the office of trustee is a designated representative of a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust which owns real estate in the district, the name of such entity shall accompany the name of the candidate on the ballot in the following form: (Name of candidate) to represent (name of entity) as a member of the board. The name of each candidate shall appear on only one ballot.

The name of a person may be written in and voted for as a candidate for the office of trustee, and such write-in candidate may be elected to the office of trustee. A write-in candidate for the office of trustee who will serve as a designated representative of a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust which owns real estate in the district shall not be elected to the office of trustee unless (a) each vote is accompanied by the name of the entity which the candidate will represent and (b) within ten days after the date of the election the candidate provides the election commissioner or county clerk with appropriate documentation evidencing the candidate's representation of the entity. Votes cast which do not carry such accompanying designation shall not be counted.

A trustee shall be an owner of real estate located in the district or shall be a person designated to serve as a representative on the board of trustees if the real estate is owned by a limited partnership, a general partnership, a limited liability company, a public, private, or municipal corporation, an estate, or a trust. Notice of the date of the election shall be mailed by the clerk of the district not later than sixty-five days prior to the

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election to each person who is entitled to vote at the election for trustees whose property ownership or lease giving a right to vote is of record on the records of the register of deeds as of a date designated by the election commissioner or county clerk, which date shall be not more than eighty days prior to the election.

(2)(a) For any sanitary and improvement district, a person whose ownership or right to vote becomes of record or is received after the date specified pursuant to subsection (1) of this section may vote when such person establishes the right to vote to the satisfaction of the election board. At the first election and at the election held two years after the first election, any person may cast one vote for each trustee for each acre of unplatted land or fraction thereof and one vote for each platted lot which such person may own in the district.

(b) This subdivision applies to a district until the board of trustees amends its articles of association pursuant to subdivision (2)(d) of this section. At the elections held four years and six years after the first election of trustees, two members of the board of trustees shall be elected by the legal property owners resident within such sanitary and improvement district and three members shall be elected by all of the owners of real estate located in the district pursuant to this section. Every resident property owner may cast one vote for a candidate for each office of trustee to be filled by election of resident property owners only. Such resident property owners may also each cast one vote for each acre of unplatted land or fraction thereof and for each platted lot owned within the district for a candidate for each office of trustee to be filled by election of all property owners. For each office of trustee to be filled by election of all property owners of the district, every legal property owner not resident within such sanitary and improvement district may cast one vote for each acre of unplatted land or fraction thereof and one vote for each platted lot which such legal property owner owns in the district. At the election held eight years after the first election of trustees and at each election thereafter, three members of the board of trustees shall be

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elected by the legal property owners resident within such sanitary and improvement district and two members shall be elected by all of the owners of real estate located in the district pursuant to this section. If there are not any legal property owners resident within such district or if not less than ninety percent of the area of the district is owned for other than residential uses, the five members shall be elected by the legal property owners of all property within such district as provided in this section.

(c) Any public, private, or municipal corporation owning any land or lot in the district may vote at an election the same as an individual. If more than fifty percent of the homes in any sanitary and improvement district are used as a second, seasonal, or recreational residence, the owners of such property shall be considered legal property owners resident within such district for purposes of electing trustees. For purposes of voting for trustees, each condominium apartment under a condominium property regime established prior to January 1, 1984, under the Condominium Property Act or established after January 1, 1984, under the Nebraska Condominium Act shall be deemed to be a platted lot and the lessee or the owner of the lessee's interest, under any lease for an initial term of not less than twenty years which requires the lessee to pay taxes and special assessments levied on the leased property, shall be deemed to be the owner of the property so leased and entitled to cast the vote of such property. When ownership of a platted lot or unplatted land is held jointly by two or more persons, whether as joint tenants, tenants in common, limited partners, members of a limited liability company, or any other form of joint ownership, only one person shall be entitled to cast the vote of such property. The executor, administrator, guardian, or trustee of any person or estate interested shall have the right to vote. No corporation, estate, or irrevocable trust shall be deemed to be a resident owner for purposes of voting for trustees. Should two or more persons or officials claim the right to vote on the same tract, the election board shall determine the party entitled to vote. Such board shall select one of their number chairperson and one of their number clerk. In case of a vacancy on such board, the remaining trustees shall

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fill the vacancy on such board until the next election.

(d) For any sanitary and improvement district which has been in existence for at least ten years, which has less than seventy property owners entitled to vote for trustees, which has at least two resident property owners, and in which less than ten percent of the area of the district is owned for other than residential uses, the board of trustees may amend its articles of association as provided in section 31-740.01 to provide for a reduction in the number of trustees on the board from five members to three members to be effective at the beginning of the term of office for the board of trustees elected at the next election. At the next election and at each election thereafter, two members of the board of trustees shall be elected by the legal property owners resident within such sanitary and improvement district and one member shall be elected by all of the owners of real estate located in the district pursuant to this section. Every resident property owner may cast one vote for a candidate for each office of trustee to be filled by election of resident property owners only. Such resident property owners may also each cast one vote for each acre of unplatted land or fraction thereof and for each platted lot owned within the district for a candidate for the office of trustee to be filled by election of all property owners. For the office of trustee to be filled by election of all property owners of the district, every legal property owner not resident within such sanitary and improvement district may cast one vote for each acre of unplatted land or fraction thereof and one vote for each platted lot which such legal property owner owns in the district.

(3) The election commissioner or county clerk shall hold any election required by subsection (1) of this section by sealed mail ballot by notifying the board of trustees on or before July 1 of a given year. The election commissioner or county clerk shall, at least twenty days prior to the election, mail a ballot and return envelope to each person who is entitled to vote at the election and whose property ownership or lease giving a right to vote is of record with the register of deeds as of the date designated by the election commissioner or county clerk, which date shall not be more than eighty days

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prior to the election. The ballot and return envelope shall include: (a) The names and addresses of the candidates; (b) room for write-in candidates; and (c) instructions on how to vote and return the ballot. Such ballots shall be returned in the return envelope to the election commissioner or county clerk no later than 5 p.m. on the date set for the election. If the ballot is not returned in the return envelope, such ballot shall not be counted. If more than one ballot is included in the same return envelope, such ballots shall not be counted and shall be reinserted into the return envelope which shall be resealed and marked rejected.

Sec. 86. Section 31-741, Reissue Revised Statutes of Nebraska, is amended to read:

31-741 All contracts for construction work to be done or materials or equipment purchased, the expense of which is more than fifty thousand dollars, shall be let to the lowest responsible bidder, upon notice of not less than twenty days, of the terms and conditions of the contract to be let. The board of trustees or the administrator shall have power to reject any and all bids and readvertise for the letting of such work or to negotiate any contract after an unsuccessful public letting.

Sec. 87. Section 32-112.02, Revised Statutes Cumulative Supplement, 2024, is amended to read:

32-112.02 Political subdivision shall include a county, city, village, township, school district, public power district, community improvement district, sanitary and improvement district, metropolitan utilities district, rural or suburban fire protection district, natural resources district, regional metropolitan transit authority, community college, learning community coordinating council, educational service unit, hospital district, reclamation district, library board, airport authority, and any other unit of local government of the State of Nebraska.

Sec. 88. Section 32-404, Revised Statutes Cumulative Supplement, 2024, is amended to read:

32-404 (1) When any political subdivision holds an election in conjunction

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with the statewide primary or general election, the election shall be held as provided in the Election Act. Any other election held by a political subdivision shall be held as provided in the act unless otherwise provided by the charter, code, or bylaws of the political subdivision.

(2) No later than December 1 of each odd-numbered year, the Secretary of State, election commissioner, or county clerk shall give notice to each political subdivision of the filing deadlines for the statewide primary election. No later than January 5 of each even-numbered year, the governing board of each political subdivision which will hold an election in conjunction with a statewide primary election shall certify to the Secretary of State, the election commissioner, or the county clerk the name of the subdivision, the number of officers to be elected, the length of the terms of office, the vacancies to be filled by election and length of remaining term, and the number of votes to be cast by a registered voter for each office.

(3) No later than June 15 of each even-numbered year, the governing board of each reclamation district, county weed district, village, county under township organization, public power district receiving annual gross revenue of less than forty million dollars, or educational service unit which will hold an election in conjunction with a statewide general election shall certify to the Secretary of State, the election commissioner, or the county clerk the name of the subdivision, the number of officers to be elected, the length of the terms of office, the vacancies to be filled by election and length of remaining term, and the number of votes to be cast by a registered voter for each office.

(4) The Secretary of State shall prescribe the forms to be used for certification to him or her, and the election commissioner or county clerk shall prescribe the forms to be used for certification to him or her.

(5) Each city, village, township, school district, public power district, community improvement district, sanitary and improvement district, metropolitan utilities district, fire protection district, natural resources district, regional metropolitan transit authority, community college area, learning community coordinating council, educational service unit, hospital district,

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reclamation district, library board, and airport authority shall furnish to the Secretary of State and election commissioner or county clerk any maps and additional information which the Secretary of State and election commissioner or county clerk may require in the proper performance of their duties in the conduct of elections and certification of results.

Sec. 89. Section 32-608, Revised Statutes Cumulative Supplement, 2024, is amended to read:

32-608 (1) Except as provided in subsection (4) or (5) of this section, a filing fee shall be paid by or on behalf of each candidate prior to filing for office. For candidates who file in the office of the Secretary of State as provided in subdivision (2)(a) of section 32-607, the filing fee shall be paid to the Secretary of State who shall remit the fee to the State Treasurer for credit to the Election Administration Fund. For candidates for any city or village office, the filing fee shall be paid to the city or village treasurer of the city or village in which the candidate resides. For candidates who file in the office of the election commissioner or county clerk, the filing fee shall be paid to the election commissioner or county clerk in the county in which the office is sought. The election commissioner or county clerk shall remit the fee to the county treasurer. The fee shall be placed in the general fund of the county, city, or village. No candidate filing forms shall be filed until the proper payment or the proper receipt showing the payment of such filing fee is presented to the filing officer. On the day of the filing deadline, the city or village treasurer's office shall remain open to receive filing fees until the hour of the filing deadline.

(2) Except as provided in subsection (4) or (5) of this section, the filing fees shall be as follows:

(a) For the office of United States Senator, state officers, including members of the Legislature, Representatives in Congress, county officers, and city or village officers, except the mayor or council members of cities having a home rule charter, a sum equal to one percent of the annual salary as of November 30 of the year preceding the election for the office for which he or

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she files as a candidate;

(b) For directors of public power and irrigation districts in districts receiving annual gross revenue of forty million dollars or more, twenty-five dollars, and in districts receiving annual gross revenue of less than forty million dollars, ten dollars;

(c) For directors of reclamation districts, ten dollars; and

(d) For Regents of the University of Nebraska, members of the State Board of Education, and directors of metropolitan utilities districts, twenty-five dollars.

(3) All declared write-in candidates shall pay the filing fees that are required for the office at the time that they present the write-in affidavit to the filing officer.

(4) No filing fee shall be required for any candidate filing for an office in which a per diem is paid rather than a salary or for which there is a salary of less than five hundred dollars per year. No filing fee shall be required for any candidate for membership on a school board, on the board of an educational service unit, on the board of governors of a community college area, on the board of directors of a natural resources district, on the board of trustees of a community improvement district, or on the board of trustees of a sanitary and improvement district.

(5) No filing fee shall be required of any candidate completing an affidavit requesting to file for elective office in forma pauperis. A pauper shall mean a person whose income and other resources for maintenance are found under assistance standards to be insufficient for meeting the cost of his or her requirements and whose reserve of cash or other available resources does not exceed the maximum available resources that an eligible individual may own. Available resources shall include every type of property or interest in property that an individual owns and may convert into cash except:

(a) Real property used as a home;

(b) Household goods of a moderate value used in the home; and

(c) Assets to a maximum value of three thousand dollars used by a

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recipient in a planned effort directed towards self-support.

(6) If any candidate dies prior to an election, the spouse of the candidate may file a claim for refund of the filing fee with the proper governing body prior to the date of the election. Upon approval of the claim by the proper governing body, the filing fee shall be refunded.

Sec. 90. Section 32-1203, Revised Statutes Cumulative Supplement, 2024, is amended to read:

32-1203 (1) Each city, village, township, school district, public power district, community improvement district, sanitary and improvement district, metropolitan utilities district, fire protection district, natural resources district, regional metropolitan transit authority, community college area, learning community coordinating council, educational service unit, hospital district, reclamation district, library board, and airport authority shall pay for the costs of nominating and electing its officers as provided in subsection (2), (3), or (4) of this section. If a special issue is placed on the ballot at the time of the statewide primary or general election by any political subdivision, the political subdivision shall pay for the costs of the election as provided in subsection (2), (3), or (4) of this section.

(2) The charge for each primary and general election shall be determined by (a) ascertaining the total cost of all chargeable costs as described in section 32-1202, (b) dividing the total cost by the number of precincts participating in the election to fix the cost per precinct, (c) prorating the cost per precinct by the inked ballot inch in each precinct for each political subdivision, and (d) totaling the cost for each precinct for each political subdivision, except that the minimum charge for each primary and general election for each political subdivision shall be one hundred dollars.

(3) In lieu of the charge determined pursuant to subsection (2) of this section, the election commissioner or county clerk may charge public power districts the fee for election costs set by section 70-610.

(4) In lieu of the charge determined pursuant to subsection (2) of this section, the election commissioner or county clerk may bill school districts

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directly for the costs of an election held under section 10-703.01.

Sec. 91. Section 32-1302, Reissue Revised Statutes of Nebraska, is amended to read:

32-1302 (1) Except for trustees of community improvement districts and sanitary and improvement districts, any elected official of a political subdivision and any elected member of the governing bodies of cities, villages, counties, irrigation districts, natural resources districts, public power districts, school districts, community college areas, educational service units, hospital districts, and metropolitan utilities districts may be removed from office by recall pursuant to sections 32-1301 to 32-1309. A trustee of a community improvement district may be removed from office by recall pursuant to sections 52 to 59 of this act. A trustee of a sanitary and improvement district may be removed from office by recall pursuant to sections 31-786 to 31-793.

(2) If due to reapportionment the boundaries of the area served by the official or body change, the recall procedure and special election provisions of sections 32-1301 to 32-1309 shall apply to the registered voters within the boundaries of the new area.

(3) The recall procedure and special election provisions of such sections shall apply to members of the governing bodies listed in subsection (1) of this section, other than community improvement districts and sanitary and improvement districts, who are elected by precinct, district, or subdistrict of the political subdivision. Only registered voters of such member's precinct, district, or subdistrict may sign a recall petition or vote at the recall election. The recall election shall be held within the member's precinct, district, or subdistrict. When an elected member is nominated by precinct, district, or subdistrict in the primary election and elected at large in the general election, the recall provisions shall apply to the registered voters at the general election.

(4) The recall procedure and special election provisions shall apply to the mayor and members of the city council of municipalities with a home rule charter notwithstanding any contrary provisions of the home rule charter.

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Sec. 92. Section 71-1572, Revised Statutes Cumulative Supplement, 2024, is amended to read:

71-1572 Sections 71-1572 to 71-15,170 and section 94 of this act shall be known and may be cited as the Nebraska Housing Agency Act.

Sec. 93. Section 71-15,169, Revised Statutes Cumulative Supplement, 2024, is amended to read:

71-15,169 (1) A housing agency for a city of the metropolitan class shall establish a complaint process. Any resident of an agency property may file a complaint by any of the following means:

(a) A complaint form filled out online on the housing agency's website;

(b) A telephone call made to a housing agency; or

(c) A complaint form filled out in person. Such complaint form shall be made available at designated offices.

(2) The complaint form, whether completed by the complainant online, in-person, or by a housing agency employee answering a telephone call complaint, shall include the following information:

(a) The name of the complainant;

(b) Contact information including the telephone number, email address, and mailing address of the complainant;

(c) The nature of the complaint, including, but not limited to, whether a maintenance issue, a discrimination claim, or a rent dispute; and

(d) Relevant dates.

(3) Notice of the right to file a complaint up until the time of an eviction shall be included on both the online and printed complaint form.

(4) The complainant may provide any supporting documentation with the complaint, including, but not limited to, photographs or digital images, receipts, and correspondence.

(5) Upon receipt of the complaint, the agency shall send an acknowledgment to the complainant by email or regular first-class mail within five business days. Each complaint shall be assigned a unique case number for tracking purposes.

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(6) The agency shall conduct a thorough investigation of the complaint, including, but not limited to, interviewing relevant parties, inspecting property and relevant documents, and reviewing applicable laws and regulations.

(7) The housing authority shall resolve the complaint within fourteen days after receipt of the complaint. If additional time is required, the complainant shall be notified and provided with an updated timeline. Throughout the investigation, the agency shall provide the complainant with regular updates on the status of the complaint by email, telephone, or regular first-class mail.

(8) The agency shall notify the complainant of the resolution of the complaint in writing within five business days after such resolution. The notice shall include (a) a summary of the investigation findings, (b) the action taken to address the complaint, (c) any remedies or compensation provided, (d) information on how to file a complaint with the political subdivision responsible for code enforcement, if applicable, and (e) information about the city's complaint process if the complainant is not satisfied with the resolution of the complaint.

(9) A complainant who is dissatisfied with the resolution of his or her complaint may bring an action against the agency under the terms of his or her lease agreement.

(10) The agency shall invite the complainant to provide feedback on the complainant's experience with the complaint process, including suggestions for improvement.

(11) The agency shall monitor complaint trends, analyze root causes, and report on complaint resolution statistics regularly to identify areas for improvement. The agency shall submit a report to the commissioners at every board meeting detailing (a) the number of complaints filed, (b) the nature of such complaints, (c) the status of completed and pending inspections, and (d) the number of unfilled inspector positions within the housing agency. The report shall also be made available to the public on the agency's website and at the agency's office.

(12) The agency shall inform persons applying for housing about the

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complaint process during the resident application process and inform residents about the complaint process (a) annually, (b) at the time a complaint is filed, and (c) by posting on the agency's website and on any public boards in any common housing spaces.

Sec. 94. A housing agency for a city of the metropolitan class shall submit a report annually to the Urban Affairs Committee of the Legislature. The report shall include:

(1) Information regarding any pest control management activities undertaken during the year covered by the report;

(2) The number of eviction filings during the year covered by the report;

(3) The number, nature, and resolution of complaints or grievances filed during the year covered by the report;

(4) Current occupancy rates; and

(5) Any relevant updates from meetings of the agency's board of commissioners.

Sec. 95. Section 77-202, Revised Statutes Supplement, 2025, is amended to read:

77-202 (1) The following property shall be exempt from property taxes:

(a) Property of the state and its governmental subdivisions to the extent used or being developed for use by the state or governmental subdivision for a public purpose. For purposes of this subdivision:

(i) Property of the state and its governmental subdivisions means (A) property held in fee title by the state or a governmental subdivision or (B) property beneficially owned by the state or a governmental subdivision in that it is used for a public purpose and is being acquired under a lease-purchase agreement, financing lease, or other instrument which provides for transfer of legal title to the property to the state or a governmental subdivision upon payment of all amounts due thereunder. If the property to be beneficially owned by a governmental subdivision has a total acquisition cost that exceeds the threshold amount or will be used as the site of a public building with a total estimated construction cost that exceeds the threshold amount, then such

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property shall qualify for an exemption under this section only if the question of acquiring such property or constructing such public building has been submitted at a primary, general, or special election held within the governmental subdivision and has been approved by the voters of the governmental subdivision. For purposes of this subdivision, threshold amount means the greater of fifty thousand dollars or six-tenths of one percent of the total actual value of real and personal property of the governmental subdivision that will beneficially own the property as of the end of the governmental subdivision's prior fiscal year; and

(ii) Public purpose means use of the property (A) to provide public services with or without cost to the recipient, including the general operation of government, public education, public safety, transportation, public works, civil and criminal justice, public health and welfare, developments by a public housing authority, improvements by an inland port authority, parks, culture, recreation, community development, and cemetery purposes, or (B) to carry out the duties and responsibilities conferred by law with or without consideration. Public purpose does not include leasing of property to a private party unless the lease of the property is at fair market value for a public purpose. Leases of property by a public housing authority to low-income individuals as a place of residence are for the authority's public purpose. Lease agreements of real or personal property by an inland port authority, whether the inland port authority is lessee or lessor, are for the authority's public purpose;

(b) Unleased property of the state or its governmental subdivisions which is not being used or developed for use for a public purpose but upon which a payment in lieu of taxes is paid for public safety, rescue, and emergency services and road or street construction or maintenance services to all governmental units providing such services to the property. Except as provided in Article VIII, section 11, of the Constitution of Nebraska, the payment in lieu of taxes shall be based on the proportionate share of the cost of providing public safety, rescue, or emergency services and road or street construction or maintenance services unless a general policy is adopted by the

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governing body of the governmental subdivision providing such services which provides for a different method of determining the amount of the payment in lieu of taxes. The governing body may adopt a general policy by ordinance or resolution for determining the amount of payment in lieu of taxes by majority vote after a hearing on the ordinance or resolution. Such ordinance or resolution shall nevertheless result in an equitable contribution for the cost of providing such services to the exempt property;

(c) Property owned by and used exclusively for agricultural and horticultural societies;

(d)(i) Property owned by educational, religious, charitable, or cemetery organizations, or any organization for the exclusive benefit of any such educational, religious, charitable, or cemetery organization, and used exclusively for educational, religious, charitable, or cemetery purposes, when such property is not (A) owned or used for financial gain or profit to either the owner or user, (B) used for the sale of alcoholic liquors for more than twenty hours per week, or (C) owned or used by an organization which discriminates in membership or employment based on race, color, or national origin.

(ii) For purposes of subdivision (1)(d) of this section:

(A) Educational organization means (I) an institution operated exclusively for the purpose of offering regular courses with systematic instruction in academic, vocational, or technical subjects or assisting students through services relating to the origination, processing, or guarantying of federally reinsured student loans for higher education, (II) a museum or historical society operated exclusively for the benefit and education of the public, or (III) a nonprofit organization that owns or operates a child care facility; and

(B) Charitable organization includes (I) an organization operated exclusively for the purpose of the mental, social, or physical benefit of the public or an indefinite number of persons and (II) a fraternal benefit society organized and licensed under sections 44-1072 to 44-10,109.

(iii) The property tax exemption authorized in subdivision (1)(d)(i) of

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this section shall apply to any for-profit skilled nursing facility, for-profit nursing facility, or for-profit assisted-living facility that provides housing for medicaid beneficiaries, except that the exemption amount for such property shall be a percentage of the property taxes that would otherwise be due. Such percentage shall be equal to the average percentage of occupied beds in the facility provided to medicaid beneficiaries over the most recent three-year period. This subdivision shall not be construed to modify, limit, or reduce any property tax exemption provided to a nonprofit skilled nursing facility, nonprofit nursing facility, or nonprofit assisted-living facility pursuant to subdivision (1)(d)(i) of this section. For purposes of this subdivision, skilled nursing facility has the same meaning as in section 71-429, nursing facility has the same meaning as in section 71-424, and assisted-living facility has the same meaning as in section 71-5903.

(iv) The property tax exemption authorized in subdivision (1)(d)(i) of this section shall apply to a building that (A) is owned by a charitable organization, (B) is made available to students in attendance at an educational institution, and (C) is recognized by such educational institution as approved student housing, except that the exemption shall only apply to the commons area of such building, including any common rooms and cooking and eating facilities;

(e) Household goods and personal effects not owned or used for financial gain or profit to either the owner or user; and

(f) A portion of the property owned by a taxpayer as provided in the Recreational Trail Easement Property Tax Exemption Act.

(2) The increased value of land by reason of shade and ornamental trees planted along the highway shall not be taken into account in the valuation of land.

(3) Tangible personal property which is not depreciable tangible personal property as defined in section 77-119 shall be exempt from property tax.

(4) Motor vehicles, trailers, and semitrailers required to be registered for operation on the highways of this state shall be exempt from payment of property taxes.

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(5) Business and agricultural inventory shall be exempt from the personal property tax. For purposes of this subsection, business inventory includes personal property owned for purposes of leasing or renting such property to others for financial gain only if the personal property is of a type which in the ordinary course of business is leased or rented thirty days or less and may be returned at the option of the lessee or renter at any time and the personal property is of a type which would be considered household goods or personal effects if owned by an individual. All other personal property owned for purposes of leasing or renting such property to others for financial gain shall not be considered business inventory.

(6) Any personal property exempt pursuant to subsection (2) of section 77-4105 or section 77-5209.02 shall be exempt from the personal property tax.

(7) Livestock shall be exempt from the personal property tax.

(8) Any personal property exempt pursuant to the Nebraska Advantage Act or the ImagiNE Nebraska Act shall be exempt from the personal property tax.

(9) Any depreciable tangible personal property used directly in the generation of electricity using wind as the fuel source shall be exempt from the property tax levied on depreciable tangible personal property. Any depreciable tangible personal property used directly in the generation of electricity using solar, biomass, or landfill gas as the fuel source shall be exempt from the property tax levied on depreciable tangible personal property if such depreciable tangible personal property was installed on or after January 1, 2016, and has a nameplate capacity of one hundred kilowatts or more. Depreciable tangible personal property used directly in the generation of electricity using wind, solar, biomass, or landfill gas as the fuel source includes, but is not limited to, wind turbines, rotors and blades, towers, solar panels, trackers, generating equipment, transmission components, substations, supporting structures or racks, inverters, and other system components such as wiring, control systems, switchgears, and generator step-up transformers.

(10) Any tangible personal property that is acquired by a person operating

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a data center located in this state, that is assembled, engineered, processed, fabricated, manufactured into, attached to, or incorporated into other tangible personal property, both in component form or that of an assembled product, for the purpose of subsequent use at a physical location outside this state by the person operating a data center shall be exempt from the personal property tax. Such exemption extends to keeping, retaining, or exercising any right or power over tangible personal property in this state for the purpose of subsequently transporting it outside this state for use thereafter outside this state. For purposes of this subsection, data center means computers, supporting equipment, and other organized assembly of hardware or software that are designed to centralize the storage, management, or dissemination of data and information, environmentally controlled structures or facilities or interrelated structures or facilities that provide the infrastructure for housing the equipment, such as raised flooring, electricity supply, communication and data lines, Internet access, cooling, security, and fire suppression, and any building housing the foregoing.

(11) For tax years prior to tax year 2020, each person who owns property required to be reported to the county assessor under section 77-1201 shall be allowed an exemption amount as provided in the Personal Property Tax Relief Act. For tax years prior to tax year 2020, each person who owns property required to be valued by the state as provided in section 77-601, 77-682, 77-801, or 77-1248 shall be allowed a compensating exemption factor as provided in the Personal Property Tax Relief Act.

(12)(a) Broadband equipment shall be exempt from the personal property tax if such broadband equipment is:

(i) Deployed in an area funded in whole or in part by funds from the Broadband Equity, Access, and Deployment Program, authorized by the federal Infrastructure Investment and Jobs Act, Public Law 117-58; or

(ii) Deployed in a qualified census tract located within the corporate limits of a city of the metropolitan class and being utilized to provide end-users with access to the Internet at speeds of at least one hundred megabits

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per second for downloading and at least one hundred megabits per second for uploading.

(b) An owner of broadband equipment seeking an exemption under this section shall apply for an exemption to the county assessor on or before December 31 of the year preceding the year for which the exemption is to begin. If the broadband equipment meets the criteria described in this subsection, the county assessor shall approve the application within thirty calendar days after receiving the application. The application shall be on forms prescribed by the Tax Commissioner.

(c) For purposes of this subsection:

(i) Broadband communications service means telecommunications service as defined in section 86-121, video programming as defined in 47 U.S.C. 522, as such section existed on January 1, 2024, or Internet access as defined in section 1104 of the federal Internet Tax Freedom Act, Public Law 105-277;

(ii) Broadband equipment means machinery or equipment used to provide broadband communications service and includes, but is not limited to, wires, cables, fiber, conduits, antennas, poles, switches, routers, amplifiers, rectifiers, repeaters, receivers, multiplexers, duplexers, transmitters, circuit cards, insulating and protective materials and cases, power equipment, backup power equipment, diagnostic equipment, storage devices, modems, and other general central office or headend equipment, such as channel cards, frames, and cabinets, or equipment used in successor technologies, including items used to monitor, test, maintain, enable, or facilitate qualifying equipment, machinery, software, ancillary components, appurtenances, accessories, or other infrastructure that is used in whole or in part to provide broadband communications service. Machinery or equipment used to produce broadband communications service does not include personal consumer electronics, including, but not limited to, smartphones, computers, and tablets; and

(iii) Qualified census tract means a qualified census tract as defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on January 1, 2024.

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Sec. 96. Section 77-1701, Revised Statutes Supplement, 2025, is amended to read:

77-1701 (1) The county treasurer shall be ex officio county collector of all taxes levied within the county. The county board shall designate a county official to mail or otherwise deliver a statement of the amount of taxes due and a notice that special assessments are due, to the last-known address of the person, firm, association, or corporation against whom such taxes or special assessments are assessed or to the lending institution or other party responsible for paying such taxes or special assessments. Such statement shall clearly indicate, for each political subdivision, the amount of property taxes due to fund any and all public safety services as defined in section 13-320, county attorneys, and public defenders, regardless of whether such amount is taken as an exception to the political subdivision's property tax request authority under section 13-3404. Such statement shall also clearly indicate, for each political subdivision, the levy rate and the amount of taxes due as the result of principal or interest payments on bonds issued by the political subdivision and shall show such rate and amount separate from any other levy. When taxes on real property are delinquent for a prior year, the county treasurer shall indicate this information on the current year tax statement in bold letters. The information provided shall inform the taxpayer that delinquent taxes and interest are due for the prior year or years and shall indicate the specific year or years for which such taxes and interest remain unpaid. The language shall read "Back Taxes and Interest Due For", followed by numbers to indicate each year for which back taxes and interest are due and a statement indicating that failure to pay the back taxes and interest may result in the loss of the real property. Failure to receive such statement or notice shall not relieve the taxpayer from any liability to pay such taxes or special assessments and any interest or penalties accrued thereon. In any county in which a city of the metropolitan class is located, all statements of taxes shall also include notice that special assessments for cutting weeds, removing litter, and demolishing buildings are due.

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(2) Notice that special assessments are due shall not be required for special assessments levied by community improvement districts organized under the Community Improvement District Act or sanitary and improvement districts organized under Chapter 31, article 7, except that such notice may be provided by the county at the discretion of the county board or by the community improvement district or the sanitary and improvement district with the approval of the county board.

(3) A statement of the amount of taxes due and a notice that special assessments are due shall not be required to be mailed or otherwise delivered pursuant to subsection (1) of this section if the total amount of the taxes and special assessments due is less than two dollars. Failure to receive the statement or notice shall not relieve the taxpayer from any liability to pay the taxes or special assessments but shall relieve the taxpayer from any liability for interest or penalties. Taxes and special assessments of less than two dollars shall be added to the amount of taxes and special assessments due in subsequent years and shall not be considered delinquent until the total amount is two dollars or more.

Sec. 97. Section 77-1838, Revised Statutes Supplement, 2025, is amended to read:

77-1838 (1) The deed made by the county treasurer shall be under the official seal of office and acknowledged by the county treasurer before some officer authorized to take the acknowledgment of deeds. When so executed and acknowledged, it shall be recorded in the same manner as other conveyances of real estate. When recorded it shall vest in the grantee and his or her heirs and assigns the title of the property described in the deed, subject to any lien on real estate for special assessments levied by a community improvement district or a sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer.

(2) Within thirty days after recording of the deed, the grantee shall pay the surplus to the previous owner of the property described in the deed. For purposes of this subsection, the surplus shall be calculated as follows:

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(a) If the property has been sold since recording of the deed, the surplus shall be equal to the amount received from such sale, minus (i) the amount that would have been needed to redeem such property, (ii) the amount needed to pay all encumbrances on such property, and (iii) an administrative fee of five hundred dollars or reasonable attorney's fees in the event of judicial foreclosure, which may be retained by the grantee to offset the costs incurred in obtaining the deed; or

(b) If the property has not been sold since recording of the deed, the surplus shall be equal to the assessed value of such property as reflected in the records of the county assessor at the time of the application for the tax deed, minus (i) the amount that would have been needed to redeem such property, (ii) the amount needed to pay all encumbrances on such property, and (iii) an administrative fee of five hundred dollars or reasonable attorney's fees in the event of judicial foreclosure, which may be retained by the grantee to offset the costs incurred in obtaining the deed.

Sec. 98. Section 77-1842, Reissue Revised Statutes of Nebraska, is amended to read:

77-1842 Deeds made by the county treasurer shall be presumptive evidence in all courts of this state, in all controversies and suits in relation to the rights of the purchaser and his or her heirs or assigns to the real property thereby conveyed, of the following facts: (1) That the real property conveyed was subject to taxation for the year or years stated in the deed; (2) that the taxes were not paid at any time before the sale; (3) that the real property conveyed had not been redeemed from the sale at the date of the deed; (4) that the property had been listed and assessed; (5) that the taxes were levied according to law; (6) that the property was sold for taxes as stated in the deed; (7) that the notice had been served or due publication made as required in sections 77-1831 to 77-1835 before the time of redemption had expired; (8) that the manner in which the listing, assessment, levy, and sale were conducted was in all respects as the law directed; (9) that the grantee named in the deed was the purchaser or his or her assignee; and (10) that all the prerequisites

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of the law were complied with by all the officers who had or whose duty it was to have had any part or action in any transaction relating to or affecting the title conveyed or purporting to be conveyed by the deed, from the listing and valuation of the property up to the execution of the deed, both inclusive, and that all things whatsoever required by law to make a good and valid sale and to vest the title in the purchaser, subject to any lien on real estate for special assessments levied by a community improvement district or a sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer, were done.

Sec. 99. Section 77-1858, Reissue Revised Statutes of Nebraska, is amended to read:

77-1858 Wherever power is now given by the revenue laws of this state to the county treasurer of any county in this state to sell real estate, on which the taxes have not been paid as provided by law, it shall include the power to sell the real estate for (1) all the taxes and special assessments, except special assessments levied by a community improvement district organized under the Community Improvement District Act or a sanitary and improvement district organized under sections 31-727 to 31-762, levied or hereafter levied by any county, municipality, drainage district, or other political subdivision of the state and (2) all special assessments levied or hereafter levied by any community improvement district or sanitary and improvement district if such sale is requested by such community improvement district or sanitary and improvement district which levied the special assessment. All provisions of the revenue law now in force with reference to the collection of taxes shall apply with equal force to all taxes and special assessments levied by such county, municipality, drainage district, or other political subdivision of the state.

Sec. 100. Section 77-1901, Reissue Revised Statutes of Nebraska, is amended to read:

77-1901 Counties shall have a lien upon real estate within their boundaries for all taxes due thereon to the state, any governmental subdivision of the state, any municipal corporation, and any drainage or irrigation

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district. After any parcel of real estate has been offered for sale and not sold for want of bidders, the county board shall make and enter an order directing the county attorney to foreclose the lien for all taxes then delinquent, excluding any lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer, in the same manner and with like effect as in the foreclosure of real estate mortgages, except as otherwise specifically provided by sections 77-1903 to 77-1917.

Sec. 101. Section 77-1902, Revised Statutes Supplement, 2025, is amended to read:

77-1902 (1) When land has been sold for delinquent taxes and a tax sale certificate or tax deed has been issued, the holder of such tax sale certificate or tax deed may, instead of demanding a deed or, if a deed has been issued, by surrendering the same in court, proceed in the district court of the county in which the land is situated to foreclose the lien for taxes represented by the tax sale certificate or tax deed and all subsequent tax liens thereon, excluding any lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer, in the same manner and with like effect as in the foreclosure of a real estate mortgage, except as otherwise specifically provided by sections 77-1903 to 77-1917.

(2) Such action shall be brought within whichever of the following two timeframes is applicable:

(a) For real estate determined to be vacant and abandoned pursuant to subsection (3) of this section, the action shall be brought within nine months after the expiration of two years from the date of sale of the real estate for taxes or special assessments; or

(b) For any other real estate, the action shall be brought within nine months after the expiration of three years from the date of sale of the real

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estate for taxes or special assessments.

(3)(a) For purposes of this section, real estate may be considered vacant and abandoned if:

(i) The holder of the tax sale certificate or tax deed is a land bank as defined in section 18-3403; and

(ii) Such property substantially meets more than two of the following criteria:

(A) The property is not occupied by the owner or any lessee or licensee of the owner;

(B) Utility service to the property, including, but not limited to, gas, electric, or water service, has been disconnected or delinquent for over one year;

(C) A building on the property has been deemed unfit for human habitation, occupancy, or use by local housing officials;

(D) A building on the property is open and unprotected and in reasonable danger of significant damage resulting from exposure to the elements or vandalism;

(E) A building on the property is unsecure due to multiple windows and doors being boarded up or closed off, smashed through, broken off or unhinged, or continuously unlocked;

(F) The property has been stripped of copper or other materials or interior fixtures to the property have been removed;

(G) There have not been any recent efforts made to restore the property to productive use;

(H) There is a presence of vermin, uncut vegetation, or debris accumulation on the property;

(I) There have been past actions by the applicable municipality or county to maintain the grounds or a building on the property;

(J) The property has been out of compliance with orders of local housing officials; or

(K) Any other condition or circumstance reasonably indicating that the

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property is vacant and abandoned.

(b) The holder of the tax sale certificate or tax deed shall determine whether or not real estate is vacant and abandoned two years after the date of the sale of such real estate for taxes or special assessments.

(c) If the real estate is registered as vacant and abandoned pursuant to a vacant property registration ordinance adopted by a municipality, it shall be conclusive proof that such real estate is vacant and abandoned. If the real estate is not registered as vacant and abandoned pursuant to such an ordinance, the holder of the tax sale certificate or tax deed shall not be obligated to proceed under subdivision (2)(a) of this section, but may instead choose to proceed under subdivision (2)(b) of this section, and no deed subsequently issued to such holder shall be deemed invalid due to noncompliance with subdivision (2)(a) of this section. No action taken by a holder of a tax sale certificate or tax deed under subdivision (2)(a) of this section shall prohibit a subsequent action under subdivision (2)(b) of this section on the same real estate should it be determined that such real estate is not vacant and abandoned.

(d) If the holder of the tax sale certificate or tax deed determines real estate to be vacant and abandoned pursuant to this subsection, the holder shall submit an affidavit to the county treasurer affirming that the real estate is vacant and abandoned.

Sec. 102. Section 77-1909, Revised Statutes Supplement, 2025, is amended to read:

77-1909 In its decree, the court shall ascertain and determine the amount of taxes, special assessments, and other liens, interest, and costs chargeable to each particular item of real property, excluding any lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer, and award to the plaintiff an attorney's fee, unless waived by the plaintiff, in an amount equal to ten percent of the amount due plus, for good cause shown, reasonable attorney's

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fees in excess of the ten percent, which shall be taxed as part of the costs in the action and apportioned equitably as other costs.

Sec. 103. Section 77-1914, Reissue Revised Statutes of Nebraska, is amended to read:

77-1914 Upon confirmation of the sale, the clerk of the district court shall certify to the county treasurer the year or years of the taxes for which the real property was sold. The county treasurer shall thereupon cancel the taxes for such years, and the proceedings shall operate as a release of such real property from all liens for the taxes included on the real property. The delivery of the sheriff's deed shall pass title to the purchaser free and clear of all liens and interests of all persons who were parties to the proceedings, who received service of process, and over whom the court had jurisdiction, excluding any lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer.

Sec. 104. Section 77-1915, Reissue Revised Statutes of Nebraska, is amended to read:

77-1915 From the proceeds of the sale of any real property, the costs charged thereto shall first be paid. When the plaintiff is a private person, firm, or corporation, the balance thereof, or so much thereof as is necessary, shall be paid to the plaintiff. When the plaintiff is a governmental subdivision other than a land bank, or is a municipal corporation or drainage or irrigation district, the balance thereof, or so much thereof as is necessary, shall be paid to the county treasurer for distribution to the various governmental subdivisions, municipal corporations, or drainage or irrigation districts entitled thereto in discharge of all claims, excluding any lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district which special assessments have not been previously offered for sale by the county treasurer. When the plaintiff is a land bank, the balance thereof, or so much thereof as is

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necessary, shall be paid to the land bank.

Sec. 105. Section 77-1916, Reissue Revised Statutes of Nebraska, is amended to read:

77-1916 If a surplus remains after satisfying all costs and taxes against any particular item of real property, the excess shall be applied in the manner provided by law for the disposition of the surplus in the foreclosure of mortgages on real property. If the proceeds are insufficient to pay the costs and all the taxes, when the plaintiff is a governmental subdivision other than a land bank or is a municipal corporation or a drainage or irrigation district, the amount remaining shall be prorated among the governmental subdivisions, municipal corporations, and drainage or irrigation districts in the proportion of their interest in the decree of foreclosure. The proceeds of the sale of one item of real property shall not be applied to the discharge of a lien for taxes against another item of real property except when so directed by the decree for foreclosure under the circumstances set forth in section 77-1910. The lien on real estate for special assessments levied by any community improvement district or sanitary and improvement district shall not be entitled to any surplus unless such special assessments have been previously offered for sale by the county treasurer.

Sec. 106. Section 77-1917.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-1917.01 All cities, villages, community improvement districts, and sanitary and improvement districts in Nebraska shall have a lien upon real estate within their boundaries for all special assessments due thereon to the municipal corporation or district, which lien shall be inferior only to general taxes levied by the state and its political subdivisions. When such special assessments have become delinquent, without the real property against which they are assessed being first offered at tax sale by the tax sale certificate method or otherwise, the municipal corporation or district involved may itself as party plaintiff proceed in the district court of the county in which the real estate is situated to foreclose, in its own name, the lien for such

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delinquent special assessments in the same manner and with like effect as in the foreclosure of a real estate mortgage, except as otherwise specifically provided by sections 77-1903 to 77-1917, which shall govern when applicable. Final confirmation of sale in such foreclosure proceeding and issuance of deed to the plaintiff, or its assignee, cannot be had until two years have expired from the date of the sale held by the sheriff, and, after expiration of such two-year period, personal notice has been served on occupants of the real property. The remedy granted in this section to cities, villages, community improvement districts, and sanitary and improvement districts for the collection of delinquent special assessments shall be cumulative and in addition to other existing methods.

Sec. 107. Section 77-3442, Revised Statutes Supplement, 2025, is amended to read:

77-3442 (1) Property tax levies for the support of local governments for fiscal years beginning on or after July 1, 1998, shall be limited to the amounts set forth in this section except as provided in section 77-3444.

(2)(a) Except as provided in subdivisions (2)(b) and (2)(e) of this section, school districts and multiple-district school systems may levy a maximum levy of one dollar and five cents per one hundred dollars of taxable valuation of property subject to the levy.

(b) For each fiscal year prior to fiscal year 2017-18, learning communities may levy a maximum levy for the general fund budgets of member school districts of ninety-five cents per one hundred dollars of taxable valuation of property subject to the levy. The proceeds from the levy pursuant to this subdivision shall be distributed pursuant to section 79-1073.

(c) Except as provided in subdivision (2)(e) of this section, for each fiscal year prior to fiscal year 2017-18, school districts that are members of learning communities may levy for purposes of such districts' general fund budget and special building funds a maximum combined levy of the difference of one dollar and five cents on each one hundred dollars of taxable property subject to the levy minus the learning community levy pursuant to subdivision

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(2)(b) of this section for such learning community.

(d) Excluded from the limitations in subdivisions (2)(a) and (2)(c) of this section are (i) amounts levied to pay for current and future sums agreed to be paid by a school district to certificated employees in exchange for a voluntary termination of employment occurring prior to September 1, 2017, (ii) amounts levied by a school district otherwise at the maximum levy pursuant to subdivision (2)(a) of this section to pay for current and future qualified voluntary termination incentives for certificated teachers pursuant to subsection (3) of section 79-8,142 that are not otherwise included in an exclusion pursuant to subdivision (2)(d) of this section, (iii) amounts levied by a school district otherwise at the maximum levy pursuant to subdivision (2)(a) of this section to pay for seventy-five percent of the current and future sums agreed to be paid to certificated employees in exchange for a voluntary termination of employment occurring between September 1, 2017, and August 31, 2018, as a result of a collective-bargaining agreement in force and effect on September 1, 2017, that are not otherwise included in an exclusion pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a school district otherwise at the maximum levy pursuant to subdivision (2)(a) of this section to pay for fifty percent of the current and future sums agreed to be paid to certificated employees in exchange for a voluntary termination of employment occurring between September 1, 2018, and August 31, 2019, as a result of a collective-bargaining agreement in force and effect on September 1, 2017, that are not otherwise included in an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts levied by a school district otherwise at the maximum levy pursuant to subdivision (2)(a) of this section to pay for twenty-five percent of the current and future sums agreed to be paid to certificated employees in exchange for a voluntary termination of employment occurring between September 1, 2019, and August 31, 2020, as a result of a collective-bargaining agreement in force and effect on September 1, 2017, that are not otherwise included in an exclusion pursuant to subdivision (2)(d) of this section, (vi) amounts levied in compliance with sections 79-10,110 and

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79-10,110.02, and (vii) amounts levied to pay for special building funds and sinking funds established for projects commenced prior to April 1, 1996, for construction, expansion, or alteration of school district buildings. For purposes of this subsection, commenced means any action taken by the school board on the record which commits the board to expend district funds in planning, constructing, or carrying out the project.

(e) Federal aid school districts may exceed the maximum levy prescribed by subdivision (2)(a) or (2)(c) of this section only to the extent necessary to qualify to receive federal aid pursuant to Title VIII of Public Law 103-382, as such title existed on September 1, 2001. For purposes of this subdivision, federal aid school district means any school district which receives ten percent or more of the revenue for its general fund budget from federal government sources pursuant to Title VIII of Public Law 103-382, as such title existed on September 1, 2001.

(f) For each fiscal year, learning communities may levy a maximum levy of one-half cent on each one hundred dollars of taxable property subject to the levy for elementary learning center facility leases, for remodeling of leased elementary learning center facilities, and for up to fifty percent of the estimated cost for focus school or program capital projects approved by the learning community coordinating council pursuant to section 79-2111.

(g) For each fiscal year, learning communities may levy a maximum levy of one and one-half cents on each one hundred dollars of taxable property subject to the levy for early childhood education programs for children in poverty, for elementary learning center employees, for contracts with other entities or individuals who are not employees of the learning community for elementary learning center programs and services, and for pilot projects, except that no more than ten percent of such levy may be used for elementary learning center employees.

(3) For each fiscal year through fiscal year 2023-24, community college areas may levy the levies provided in subdivisions (2)(a) through (c) of section 85-1517, in accordance with the provisions of such subdivisions. For

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fiscal year 2024-25 and each fiscal year thereafter, community college areas may levy the levies provided in subdivisions (2)(a) and (b) of section 85-1517, in accordance with the provisions of such subdivisions. A community college area may exceed the levy provided in subdivision (2)(a) of section 85-1517 by the amount necessary to generate sufficient revenue as described in section 85-1543 or 85-2238. A community college area may exceed the levy provided in subdivision (2)(b) of section 85-1517 by the amount necessary to retire general obligation bonds assumed by the community college area or issued pursuant to section 85-1515 according to the terms of such bonds or for any obligation pursuant to section 85-1535 entered into prior to January 1, 1997.

(4)(a) Natural resources districts may levy a maximum levy of four and one-half cents per one hundred dollars of taxable valuation of property subject to the levy.

(b) Natural resources districts shall also have the power and authority to levy a tax equal to the dollar amount by which their restricted funds budgeted to administer and implement ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act exceed their restricted funds budgeted to administer and implement ground water management activities and integrated management activities for FY2003-04, not to exceed one cent on each one hundred dollars of taxable valuation annually on all of the taxable property within the district.

(c) In addition, natural resources districts located in a river basin, subbasin, or reach that has been determined to be fully appropriated pursuant to section 46-714 or designated as overappropriated pursuant to section 46-713 by the Chief Water Officer of the Department of Water, Energy, and Environment shall also have the power and authority to levy a tax equal to the dollar amount by which their restricted funds budgeted to administer and implement ground water management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act exceed their restricted funds budgeted to administer and implement ground water management activities and integrated management activities for FY2005-06, not to exceed three cents

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on each one hundred dollars of taxable valuation on all of the taxable property within the district for fiscal year 2006-07 and each fiscal year thereafter through fiscal year 2017-18.

(5) Any educational service unit authorized to levy a property tax pursuant to section 79-1225 may levy a maximum levy of one and one-half cents per one hundred dollars of taxable valuation of property subject to the levy.

(6)(a) Incorporated cities and villages which are not within the boundaries of a municipal county may levy a maximum levy of forty-five cents per one hundred dollars of taxable valuation of property subject to the levy plus an additional five cents per one hundred dollars of taxable valuation to provide financing for the municipality's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The maximum levy shall include amounts levied to pay for sums to support a library pursuant to section 51-201, museum pursuant to section 51-501, visiting community nurse, home health nurse, or home health agency pursuant to section 71-1637, or statue, memorial, or monument pursuant to section 80-202.

(b) Incorporated cities and villages which are within the boundaries of a municipal county may levy a maximum levy of ninety cents per one hundred dollars of taxable valuation of property subject to the levy. The maximum levy shall include amounts paid to a municipal county for county services, amounts levied to pay for sums to support a library pursuant to section 51-201, a museum pursuant to section 51-501, a visiting community nurse, home health nurse, or home health agency pursuant to section 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

(c) Community improvement districts may levy a property tax pursuant to the Community Improvement District Act up to the maximum levy rate specified in the ordinance passed by the city council of the city or village board of trustees of the village in which such community improvement district is located. Such levy is not included in the maximum levy rates in subdivisions (6)(a) and (6)(b) of this section.

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(7) Sanitary and improvement districts which have been in existence for more than five years may levy a maximum levy of forty cents per one hundred dollars of taxable valuation of property subject to the levy, and sanitary and improvement districts which have been in existence for five years or less shall not have a maximum levy. Unconsolidated sanitary and improvement districts which have been in existence for more than five years and are located in a municipal county may levy a maximum of eighty-five cents per hundred dollars of taxable valuation of property subject to the levy.

(8) Counties may levy or authorize a maximum levy of fifty cents per one hundred dollars of taxable valuation of property subject to the levy, except that five cents per one hundred dollars of taxable valuation of property subject to the levy may only be levied to provide financing for the county's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The maximum levy shall include amounts levied to pay for sums to support a library pursuant to section 51-201 or museum pursuant to section 51-501. The county may allocate up to fifteen cents of its authority to other political subdivisions subject to allocation of property tax authority under subsection (1) of section 77-3443 and not specifically covered in this section to levy taxes as authorized by law which do not collectively exceed fifteen cents per one hundred dollars of taxable valuation on any parcel or item of taxable property. The county may allocate to one or more other political subdivisions subject to allocation of property tax authority by the county under subsection (1) of section 77-3443 some or all of the county's five cents per one hundred dollars of valuation authorized for support of an agreement or agreements to be levied by the political subdivision for the purpose of supporting that political subdivision's share of revenue required under an agreement or agreements executed pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. If an allocation by a county would cause another county to exceed its levy authority under this section, the second county may exceed the levy authority in order to levy the amount allocated.

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(9) Municipal counties may levy or authorize a maximum levy of one dollar per one hundred dollars of taxable valuation of property subject to the levy. The municipal county may allocate levy authority to any political subdivision or entity subject to allocation under section 77-3443.

(10) Beginning July 1, 2016, rural and suburban fire protection districts may levy a maximum levy of ten and one-half cents per one hundred dollars of taxable valuation of property subject to the levy if (a) such district is located in a county that had a levy pursuant to subsection (8) of this section in the previous year of at least forty cents per one hundred dollars of taxable valuation of property subject to the levy or (b) such district had a levy request pursuant to section 77-3443 in any of the three previous years and the county board of the county in which the greatest portion of the valuation of such district is located did not authorize any levy authority to such district in such year.

(11) A regional metropolitan transit authority may levy a maximum levy of ten cents per one hundred dollars of taxable valuation of property subject to the levy for each fiscal year that commences on the January 1 that follows the effective date of the conversion of the transit authority established under the Transit Authority Law into the regional metropolitan transit authority.

(12) Property tax levies (a) for judgments, except judgments or orders from the Commission of Industrial Relations, obtained against a political subdivision which require or obligate a political subdivision to pay such judgment, to the extent such judgment is not paid by liability insurance coverage of a political subdivision, (b) for preexisting lease-purchase contracts approved prior to July 1, 1998, (c) for bonds as defined in section 10-134 approved according to law and secured by a levy on property except as provided in section 44-4317 for bonded indebtedness issued by educational service units and school districts, (d) for payments by a public airport to retire interest-free loans from the Division of Aeronautics of the Department of Transportation in lieu of bonded indebtedness at a lower cost to the public airport, and (e) to pay for cancer benefits provided on or after January 1,

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2022, pursuant to the Firefighter Cancer Benefits Act are not included in the levy limits established by this section.

(13) The limitations on tax levies provided in this section are to include all other general or special levies provided by law. Notwithstanding other provisions of law, the only exceptions to the limits in this section are those provided by or authorized by sections 77-3442 to 77-3444.

(14) Tax levies in excess of the limitations in this section shall be considered unauthorized levies under section 77-1606 unless approved under section 77-3444.

(15) For purposes of sections 77-3442 to 77-3444, political subdivision means a political subdivision of this state and a county agricultural society.

(16) For school districts that file a binding resolution on or before May 9, 2008, with the county assessors, county clerks, and county treasurers for all counties in which the school district has territory pursuant to subsection (7) of section 79-458, if the combined levies, except levies for bonded indebtedness approved by the voters of the school district and levies for the refinancing of such bonded indebtedness, are in excess of the greater of (a) one dollar and twenty cents per one hundred dollars of taxable valuation of property subject to the levy or (b) the maximum levy authorized by a vote pursuant to section 77-3444, all school district levies, except levies for bonded indebtedness approved by the voters of the school district and levies for the refinancing of such bonded indebtedness, shall be considered unauthorized levies under section 77-1606.

Sec. 108. Section 77-3443, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-3443 (1) All political subdivisions, other than (a) school districts, community colleges, natural resources districts, educational service units, cities, villages, counties, municipal counties, rural and suburban fire protection districts that have levy authority pursuant to subsection (10) of section 77-3442, community improvement districts, and sanitary and improvement districts and (b) political subdivisions subject to municipal allocation under

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subsection (2) of this section, may levy taxes as authorized by law which are authorized by the county board of the county or the council of a municipal county in which the greatest portion of the valuation is located, which are counted in the county or municipal county levy limit provided in section 77-3442, and which do not collectively total more than fifteen cents per one hundred dollars of taxable valuation on any parcel or item of taxable property for all governments for which allocations are made by the municipality, county, or municipal county, except that such limitation shall not apply to property tax levies for preexisting lease-purchase contracts approved prior to July 1, 1998, for bonded indebtedness approved according to law and secured by a levy on property, and for payments by a public airport to retire interest-free loans from the Division of Aeronautics of the Department of Transportation in lieu of bonded indebtedness at a lower cost to the public airport. The county board or council shall review and approve or disapprove the levy request of all political subdivisions subject to this subsection. The county board or council may approve all or a portion of the levy request and may approve a levy request that would allow the requesting political subdivision to levy a tax at a levy greater than that permitted by law. Unless a transit authority elects to convert to a regional metropolitan transit authority in accordance with the Regional Metropolitan Transit Authority Act, and for each fiscal year of such a transit authority until the first fiscal year commencing after the effective date of such conversion, the county board of a county or the council of a municipal county which contains a transit authority established pursuant to the Transit Authority Law shall allocate no less than three cents per one hundred dollars of taxable property within the city or municipal county subject to the levy to the transit authority if requested by such authority. For any political subdivision subject to this subsection that receives taxes from more than one county or municipal county, the levy shall be allocated only by the county or municipal county in which the greatest portion of the valuation is located. The county board of equalization shall certify all levies by October 20 to insure that the taxes levied by political subdivisions subject to this subsection do

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not exceed the allowable limit for any parcel or item of taxable property. The levy allocated by the county or municipal county may be exceeded as provided in section 77-3444.

(2) All city airport authorities established under the Cities Airport Authorities Act, community redevelopment authorities established under the Community Development Law, transit authorities established under the Transit Authority Law unless and until the first fiscal year commencing after the effective date of any conversion by such a transit authority into a regional metropolitan transit authority pursuant to the Regional Metropolitan Transit Authority Act, and offstreet parking districts established under the Offstreet Parking District Act may be allocated property taxes as authorized by law which are authorized by the city, village, or municipal county and are counted in the city or village levy limit or municipal county levy limit provided by section 77-3442, except that such limitation shall not apply to property tax levies for preexisting lease-purchase contracts approved prior to July 1, 1998, for bonded indebtedness approved according to law and secured by a levy on property, and for payments by a public airport to retire interest-free loans from the Division of Aeronautics of the Department of Transportation in lieu of bonded indebtedness at a lower cost to the public airport. For offstreet parking districts established under the Offstreet Parking District Act, the tax shall be counted in the allocation by the city proportionately, by dividing the total taxable valuation of the taxable property within the district by the total taxable valuation of the taxable property within the city multiplied by the levy of the district. Unless a transit authority elects to convert into a regional metropolitan transit authority pursuant to the Regional Metropolitan Transit Authority Act, and for each fiscal year of such a transit authority until the first fiscal year commencing after the effective date of such conversion, the city council of a city which has established a transit authority pursuant to the Transit Authority Law or the council of a municipal county which contains a transit authority shall allocate no less than three cents per one hundred dollars of taxable property subject to the levy to the

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transit authority if requested by such authority. The city council, village board, or council shall review and approve or disapprove the levy request of the political subdivisions subject to this subsection. The city council, village board, or council may approve all or a portion of the levy request and may approve a levy request that would allow a levy greater than that permitted by law. The levy allocated by the municipality or municipal county may be exceeded as provided in section 77-3444.

(3) On or before August 1, all political subdivisions subject to county, municipal, or municipal county levy authority under this section shall submit a preliminary request for levy allocation to the county board, city council, village board, or council that is responsible for levying such taxes. The preliminary request of the political subdivision shall be in the form of a resolution adopted by a majority vote of members present of the political subdivision's governing body. The failure of a political subdivision to make a preliminary request shall preclude such political subdivision from using procedures set forth in section 77-3444 to exceed the final levy allocation as determined in subsection (4) of this section.

(4) Each county board, city council, village board, or council shall (a) adopt a resolution by a majority vote of members present which determines a final allocation of levy authority to its political subdivisions and (b) forward a copy of such resolution to the chairperson of the governing body of each of its political subdivisions. No final levy allocation shall be changed after September 1 except by agreement between both the county board, city council, village board, or council which determined the amount of the final levy allocation and the governing body of the political subdivision whose final levy allocation is at issue.

Sec. 109. Sections 109 to 116 of this act shall be known and may be cited as the New Taxpayer Recruitment Grant Act.

Sec. 110. For purposes of the New Taxpayer Recruitment Grant Act:

(1) Department means the Department of Economic Development;

(2) Household means one or more individuals who dwell together; and

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(3) Household goal means the total number of households that a new taxpayer recruitment program seeks to successfully incentivize to relocate or commit to relocate from a location that is outside of this state to a municipality in this state.

Sec. 111. (1)(a) Beginning on July 15 of each fiscal year any (i) city or Indian tribe or band in the State of Nebraska or (ii) nonprofit organization, the primary purpose of which includes economic development, workforce and talent development, or community development, may apply to the department for a grant under the New Taxpayer Recruitment Grant Act for such fiscal year.

(b) Such application shall be on a form prescribed by the department that includes:

(i) The name of the grant applicant;

(ii) The name, title, email address, mailing address, and telephone number for an individual who will serve as the point of contact for the grant applicant for the department; and

(iii) A new taxpayer recruitment program plan that includes the following:

(A) The total estimated cost of the program and the itemized estimated costs associated with the program's design, administration, marketing, and relocation incentive initiatives;

(B) A description of the program implementation roles undertaken and related costs of the grant applicant or other entities;

(C) The program's household goal and the estimated incentive amount per household;

(D) The program's estimated state and local tax impact; and

(E) The program's estimated total economic impact.

(2) Each fiscal year, the department shall award grants under the New Taxpayer Recruitment Grant Act to grant applicants with approved applications for the purpose of the administration of new taxpayer recruitment programs of such grant applicants and the costs associated with incentivizing households to relocate from locations that are outside of this state to municipalities in this state.

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(3) To qualify for a grant under the New Taxpayer Recruitment Grant Act, a grant applicant shall:

(a) Demonstrate such grant applicant's ability to contribute funding equal to at least twenty percent of the total cost of the new taxpayer recruitment program and a description of anticipated funding sources. The grant applicant's contribution may include local funds or in-kind donations pursuant to section 114 of this act; and

(b) If the grant applicant is a previous recipient of a grant under the New Taxpayer Recruitment Grant Act, submit evidence that the grant applicant has met the household goal stated in the new taxpayer recruitment program plan that was submitted with the application for such previous grant.

(4) The department shall consider applications in the order in which they are received. If a grant applicant qualifies for a grant, the department shall approve the application and notify the grant applicant of the approval within thirty days of receiving the application.

(5) The department may approve applications and award grants under the New Taxpayer Recruitment Grant Act subject to available funding in the New Taxpayer Recruitment Grant Cash Fund.

(6) Any grant applicant shall not receive more than two hundred fifty thousand dollars in grants under the New Taxpayer Recruitment Grant Act in a fiscal year.

(7) The department shall disburse fifty percent of a grant to the grant applicant when the grant is initially awarded and fifty percent of the grant upon the grant applicant reporting to the department that it has successfully met half of the household goal stated in the new taxpayer recruitment program plan. If the grant applicant fails to meet half of such goal, the department shall not disburse the remaining amount of the grant and such remaining amount shall be reawarded to other grant applicants with approved applications.

Sec. 112. To be eligible for incentives from new taxpayer recruitment programs funded by grants under the New Taxpayer Recruitment Grant Act, a household shall submit an application to a grant recipient for the new taxpayer

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recruitment program of such grant recipient that includes:

(1) The name, date of birth, email address, telephone number, and last four digits of the social security number for an individual who will serve as the primary point of contact for the household;

(2) The name, date of birth, and relationship to the primary point of contact for all members of the household;

(3) The mailing address for the primary place of residence for the household. Such address shall be outside of the State of Nebraska at the time the household applies for new taxpayer recruitment program incentives;

(4) Records deemed sufficient by the grant recipient to demonstrate proof of employment and income for each employed individual in the household and a brief job description for each employed individual. Such records shall demonstrate a household annual income of at least fifty-five thousand dollars to be eligible for new taxpayer recruitment program incentives; and

(5) Whether any members of the household are veterans.

Sec. 113. (1) Each grant recipient shall provide semiannual reports to the department with the following data regarding new taxpayer recruitment program outcomes:

(a) Total number of applications received from households;

(b) Total number of approved applications for incentives;

(c) The incentive provided to each approved household;

(d) The annual income and occupation of each individual from an approved household; and

(e) The estimated economic impact of the new taxpayer recruitment program, including state and local tax revenue and new consumer spending.

(2) Each household that receives an incentive from a new taxpayer recruitment program funded by a grant under the New Taxpayer Recruitment Grant Act shall provide the grant recipient that provided an incentive to such household with the information that is reasonably necessary to complete the semiannual reports required under this section. Grant recipients may rely in good faith on such household information for purposes of completing semiannual

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reports.

Sec. 114. Unless otherwise prohibited by law, any grant applicant may utilize any resource available to it for the local funds or in-kind donations required in subdivision (3) of section 111 of this act, including, but not limited to:

(1) Any resource collected and disbursed pursuant to the Local Option Municipal Economic Development Act;

(2) Any federal funding;

(3) Any donation or contribution of private funding; and

(4) The estimated market value of any donated good or service from any public or private source.

Sec. 115. The New Taxpayer Recruitment Grant Cash Fund is created. The department shall administer the fund and use the fund to finance grants for new taxpayer recruitment programs under the New Taxpayer Recruitment Grant Act. The fund shall consist of money transferred by the Legislature, and gifts, grants, and bequests from any source, including federal, public, and private sources. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 116. The department may adopt and promulgate rules and regulations to carry out the New Taxpayer Recruitment Grant Act.

Sec. 117. Sections 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 92, 93, 94, 95, 109, 110, 111, 112, 113, 114, 115, 116, 119 of this act become operative three calendar months after the adjournment of this legislative session. The other sections of this act become operative on their effective date.

Sec. 118. Original sections 10-127, 10-131, 10-133, 10-134, 10-615, 10-1103, 10-1203, 13-402, 13-503, 13-803, 13-2503, 32-1302, 77-1842, 77-1858, 77-1901, 77-1914, 77-1915, 77-1916, and 77-1917.01, Reissue Revised Statutes of Nebraska, sections 13-2202, 32-112.02, 32-404, 32-608, 32-1203, and 77-3443, Revised Statutes Cumulative Supplement, 2024, and sections 13-518, 77-1701,

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77-1838, 77-1902, 77-1909, and 77-3442, Revised Statutes Supplement, 2025, are repealed.

Sec. 119. Original sections 13-3309, 18-2108, 18-2123, 18-2123.01, 18-2705, and 31-741, Reissue Revised Statutes of Nebraska, sections 13-3304, 14-102, 18-2155, 31-735, 71-1572, and 71-15,169, Revised Statutes Cumulative Supplement, 2024, and sections 18-2102, 18-2103, 18-2147, 18-2709, and 77-202, Revised Statutes Supplement, 2025, are repealed.

Sec. 120. Since an emergency exists, this act takes effect when passed and approved according to law.

PRESIDENT OF THE LEGISLATURE

THIS IS TO CERTIFY that the within LB 1114 was passed by the One Hundred Ninth Legislature of Nebraska at its Second Session on the ..... day of ..... 20.....

CLERK OF THE LEGISLATURE

Approved:

..... 20....., ... o'clock .....M.

GOVERNOR