

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1118

Introduced by Wayne, 13.

Read first time January 19, 2022

Committee:

1 A BILL FOR AN ACT relating to city airport authorities; to amend sections
2 3-504 and 32-547, Reissue Revised Statutes of Nebraska, and section
3 3-502, Revised Statutes Cumulative Supplement, 2020; to provide for
4 election of members of an airport authority board in a city of the
5 metropolitan class; to change provisions relating to powers; to
6 harmonize provisions; and to repeal the original sections.

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

1 Section 1. Section 3-502, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 3-502 (1) Any city may create an airport authority to be managed and
4 controlled by a board. Such ~~The board, when and if appointed,~~ shall have
5 full and exclusive jurisdiction and control over all facilities owned or
6 thereafter acquired by such city for the purpose of aviation operation,
7 air navigation, and air safety operation.

8 (2) The Cities Airport Authorities Act shall not become operative as
9 to any city unless the mayor and city council in their discretion
10 activate the airport authority by the mayor appointing and the city
11 council approving the board members as provided in this section. Each
12 such board shall be a body corporate and politic, constituting a public
13 corporation and an agency of the city for which such board is
14 established.

15 (3) Each board in cities of the primary class, first class, and
16 second class ~~classes~~ and in villages shall consist of five members to be
17 appointed by the mayor with the approval of the city council to serve
18 until their successors elected pursuant to section 32-547 take office.
19 Members of such board shall be residents of the city for which such
20 authority is created. Any vacancy on such board shall be filled by
21 appointment by the mayor, with the approval of the city council, to serve
22 the unexpired portion of the term. A member of such board may be removed
23 from office for incompetence, neglect of duty, or malfeasance in office.
24 An action for the removal of such officer may be brought, upon resolution
25 of the city council, in the district court of the county in which such
26 city is located.

27 (4) Each board in cities of the metropolitan class shall consist of
28 five members who shall be nominated by the mayor and approved by the city
29 council and shall serve for terms of five years or until their successors
30 elected pursuant to section 32-547 take office, whichever occurs first.
31 Members of the board shall be residents of the city for which such

1 authority is created. Any vacancy on such board shall be filled, not
2 later than six months after the date of such vacancy, by appointment by
3 the mayor with the approval of the city council, and such appointee shall
4 serve the unexpired portion of the term of the member whose office was
5 vacated. Except for members of such board elected pursuant to section
6 32-547 or thereafter appointed to fill any vacancy as provided in this
7 subsection, any Any member of such board may be removed from office by
8 the mayor, for incompetence, neglect of duty, or malfeasance in office,
9 with the consent and approval of the city council. A member of such board
10 elected pursuant to section 32-547 or thereafter appointed to fill any
11 vacancy as provided in this subsection may be removed from office for
12 incompetence, neglect of duty, or malfeasance in office. An action for
13 the removal of such officer may be brought, upon resolution of the city
14 council, in the district court of the county in which such city is
15 located.

16 (5) The members of the board ~~hereby created~~ shall not be entitled to
17 compensation for their services but shall be entitled to reimbursement of
18 expenses paid or incurred in the performance of the duties imposed upon
19 them by the Cities Airport Authorities Act, to be paid as provided in
20 section 23-1112 for county officers and employees. A majority of the
21 members of the board then in office shall constitute a quorum. The board
22 may delegate to one or more of the members, or to its officers, agents,
23 and employees, such powers and duties as the board deems it ~~may deem~~
24 proper.

25 (6) The board and its corporate existence shall continue only for a
26 period of twenty years from the date of appointment of the members of
27 such board ~~thereof~~ and thereafter until all its liabilities have been met
28 and its bonds have been paid in full or such liabilities and bonds have
29 otherwise been discharged. When all liabilities incurred by the authority
30 of every kind and character have been met and all its bonds have been
31 paid in full or such liabilities and bonds have otherwise been

1 discharged, all rights and properties of the authority shall pass to and
2 be vested in the city. The authority shall have and retain full and
3 exclusive jurisdiction and control over all projects under its
4 jurisdiction, with the right and duty to charge and collect revenue from
5 such projects ~~therefrom~~, for the benefit of the holders of any of its
6 bonds or other liabilities. Upon the ~~authority's~~ ceasing of the authority
7 to exist, all its remaining rights and properties shall pass to and vest
8 in the city.

9 Sec. 2. Section 3-504, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 3-504 Any authority established under the Cities Airport Authorities
12 Act shall have the power to:

13 (1) Sue ~~To sue~~ and be sued;

14 (2) Have ~~To have~~ a seal and alter the same at pleasure;

15 (3) Acquire ~~To acquire~~, hold, and dispose of personal property for
16 its corporate purposes;

17 (4) Acquire ~~To acquire~~ in the name of the city, by purchase or
18 condemnation, real property or rights or easements in such property
19 ~~therein~~ necessary or convenient for its corporate purposes and, except
20 (a) as may otherwise be provided in the Cities Airport Authorities Act
21 ~~act~~ and (b) that if property is to be acquired outside the
22 extraterritorial zoning jurisdiction of the city when such city is a city
23 of the metropolitan class, approval must be obtained from the county
24 board of the county where the property is located before the right of
25 eminent domain may be exercised, to use such right ~~the same~~ so long as
26 its corporate existence continues. Such power shall not be exercised by
27 authorities of cities of the primary class, first class, and second class
28 ~~classes~~ and of villages created after September 2, 1973, without further
29 approval until such time as at least three members of the authority have
30 been elected. If the exercise of such power is necessary while three or
31 more appointed members remain on the authority of cities of the primary

1 class, first_class, and second class ~~classes~~ and of villages, the
2 appointing body shall approve all proceedings under this subdivision;

3 (5) Make ~~To make~~ bylaws for the management and regulation of its
4 affairs and, subject to agreements with bondholders, ~~to~~ make rules and
5 regulations for the use of projects and the establishment and collection
6 of rentals, fees, and all other charges for services or commodities sold,
7 furnished, or supplied by such authority. Any person violating such rules
8 and regulations shall be guilty of a Class III misdemeanor;

9 (6) With the consent of the city, ~~to~~ use the services of agents,
10 employees, and facilities of the city, for which the authority may
11 reimburse the city a proper proportion of the compensation or cost of of
12 such services thereof, and also ~~to~~ use the services of the city attorney
13 as legal advisor to the authority;

14 (7) Appoint ~~To appoint~~ officers, agents, and employees and fix their
15 compensation;

16 (8) Make ~~To make~~ contracts, leases, and all other instruments
17 necessary or convenient to the corporate purposes of the authority;

18 (9) Design ~~To design~~, construct, maintain, operate, improve, and
19 reconstruct, so long as its corporate existence continues, such projects
20 as are necessary and convenient to the maintenance and development of
21 aviation services to and for the city in which such authority is
22 established, including landing fields, heliports, hangars, shops,
23 passenger and freight terminals, control towers, and all facilities
24 necessary or convenient in connection with any such project, ~~to~~ contract
25 for the construction, operation, or maintenance of ~~any parts thereof~~ or
26 ~~for~~ services ~~to be performed~~ on such project ~~thereon~~, and ~~to~~ rent parts
27 of thereof and grant concessions on such project ~~thereon~~, all on such
28 terms and conditions as the authority may determine. This subdivision
29 shall not be construed to affect the obligation of a lessee to pay taxes
30 if taxes are due under sections 77-202, 77-202.11, and 77-202.12;

31 (10) Include ~~To include~~ in such project, subject to zoning

1 restrictions, space and facilities for any or all of the following:
2 Public recreation; business, trade, or other exhibitions; sporting or
3 athletic events; public meetings; conventions; and all other kinds of
4 assemblages and, in order to obtain additional revenue, space and
5 facilities for business and commercial purposes. Whenever the authority
6 deems it to be in the public interest, the authority may lease any such
7 project or any part or parts of such project ~~thereof~~ or contract for the
8 management and operation of such project ~~thereof~~ or any part or parts of
9 such project ~~thereof~~. Any such lease or contract may be for such period
10 of years as the authority shall determine. This subdivision shall not be
11 construed to affect the obligation of a lessee to pay taxes if taxes are
12 due under sections 77-202, 77-202.11, and 77-202.12;

13 (11) ~~Charge To charge~~ fees, rentals, and all other charges for the
14 use of projects under the jurisdiction of such authority subject to and
15 in accordance with any ~~such~~ agreement with bondholders ~~as may be made as~~
16 ~~hereinafter provided~~. Subject to contracts with bondholders, all fees,
17 rentals, charges, and other revenue derived from any project shall be
18 applied to the payment of operating, administration, and other necessary
19 expenses of the authority properly chargeable to such project and to the
20 payment of the interest on and principal of bonds or for making sinking-
21 fund payments therefor. Subject to contracts with bondholders, the
22 authority may treat one or more projects as a single enterprise with
23 respect to revenue, expenses, the issuance of bonds, maintenance,
24 operation, or other purposes;

25 (12) ~~Certify To certify~~ annually to the governing body of the city
26 the amount of tax to be levied for airport purposes which the authority
27 requires under its adopted budget statement to be received from taxation,
28 not to exceed three and five-tenths cents on each one hundred dollars of
29 taxable valuation of all the taxable property in such city subject to
30 section 77-3443. The governing body may levy and collect the taxes so
31 certified at the same time and in the same manner as other taxes are

1 levied and collected, and the proceeds of such taxes when due and as
2 collected shall be set aside and deposited in the special account or
3 accounts in which other revenue of the authority is deposited. An
4 authority in a city of the first class, a city of the ~~or~~ second class, or
5 a village shall have power to certify annually to the governing body of
6 such a city or village an additional amount of tax to be levied for
7 airport purposes, not to exceed three and five-tenths cents on each one
8 hundred dollars of taxable value, to be levied, collected, set aside, and
9 deposited as specified in this subdivision, and if negotiable bonds of
10 the authority are thereafter issued, this power shall continue until such
11 bonds are paid in full. When such additional amount of tax is first
12 certified, the governing body may then require, but not thereafter,
13 approval of the same by a majority vote of the governing body or by a
14 majority vote of the electors voting on the same at a general or special
15 election. The additional levy shall be subject to section 77-3443. ~~The~~
16 ~~provisions of this subdivision shall not apply to cities of the~~
17 ~~metropolitan class;~~

18 (13) Construct ~~To construct~~ and maintain under, along, over, or
19 across a project, telephone, telegraph, or electric wires and cables,
20 fuel lines, gas mains, water mains, and other mechanical equipment not
21 inconsistent with the appropriate use of such project, ~~to~~ contract for
22 such construction, and ~~to~~ lease the right to construct and use such
23 wires, cables, lines, mains, and other equipment ~~the same~~, or ~~to~~ use such
24 wires, cables, lines, mains, and other equipment ~~the same~~ on such terms
25 for such periods of time and for such consideration as the authority
26 shall determine;

27 (14) Accept ~~To accept~~ grants, loans, or contributions from the
28 United States, the State of Nebraska, any agency or instrumentality of
29 either of them, or the city in which such authority is established and ~~to~~
30 expend the proceeds of such grants, loans, or contributions ~~thereof~~ for
31 any corporate purposes;

1 (15) ~~Incur To incur~~ debt and issue negotiable bonds and ~~to~~ provide
2 for the rights of the holders of such bonds thereof;

3 (16) ~~Enter To enter~~ on any lands, waters, and premises for the
4 purposes of making surveys, soundings, and examinations; and

5 (17) ~~Do To do~~ all things necessary or convenient to carry out the
6 powers expressly conferred on such authorities under ~~by~~ the Cities
7 Airport Authorities Act ~~act~~.

8 Sec. 3. Section 32-547, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 32-547 (1) Each airport authority board created pursuant to the
11 Cities Airport Authorities Act in cities of the primary, first, and
12 second classes and in villages shall consist of five members. Except for
13 members initially appointed pursuant to section 3-502, members of the
14 board shall serve for terms of six years and shall be nominated and
15 elected in the manner provided by law for the election of officers of the
16 city concerned and shall take office at the same time as the officers of
17 such city. One member shall be elected at the first general city election
18 after creation of the authority, two members at the second general city
19 election after creation of the authority, and two members at the third
20 general city election after the creation of the authority. The members
21 shall meet the qualifications required under ~~found in~~ such section.

22 (2) Each airport authority board created pursuant to the Cities
23 Airport Authorities Act in cities of the metropolitan class shall consist
24 of five members. Except for members serving on the effective date of this
25 act and members initially appointed pursuant to section 3-502, members of
26 the board shall serve for terms of four years and shall be nominated and
27 elected in the manner provided by law for the election of officers of the
28 city concerned beginning with the city election held in 2025. The terms
29 of members serving on the effective date of this act shall end when their
30 successors take office. The members shall take office at the same time as
31 the officers of such city and shall meet the qualifications required

1 under such section.

2 Sec. 4. Original sections 3-504 and 32-547, Reissue Revised
3 Statutes of Nebraska, and section 3-502, Revised Statutes Cumulative
4 Supplement, 2020, are repealed.