## LEGISLATIVE BILL 1275

Approved by the Governor March 21, 1972

Introduced by P. J. Morgan, 4th District; Eugene T. Mahoney, 5th District

14-1801 to 14-1814, 14-1818, ACT to amend sections 14-1820 to 14-1823 and 14-1826, Reissue Revised Statutes of Nebraska, 1943, relating to cities of the metropolitan class; redefine policy and terms; to provide for authorities cities of transit in metropolitan class; to repeal the original sections and also sections 14-1815, 14-1817, and 14-1824, Reissue Bevised Statutes Nebraska, 1943; and to declare an emergency.

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

Section 1. That section 14-1801, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1801. It is hereby determined and declared as a matter of legislative finding and policy:

(1) That traffic, passenger, truck, and pedestrian, in the streets of cities of the metropolitan class, and-to--a-lesser--extent--in--cities--of--smaller populations-generally-contiguous-thereto-and-contributing to--the--traffic--congestion--of--such--cities---of---the metropolitan-classy-and-on-highways-leading-to-and-from such-cities-of-the-metropolitan-class-and--other--cities, has become severely congested by the great number of motor vehicles operating therein; ;---thereto---and therefrom; that such conditions have been accentuating for a period of years, and all signs and indications that such congestion will continue to increase; that such conditions constitute a hazard and a handicap to the of streets and-highways within and-between cities of the metropolitan class and-cities-of-lesser--population classifications-generally-contiguous-to--such--cities--of the--metropolitan--class, and constitute a continuing detriment to the operation of all characters of business in and-into such metropolitan and-other cities; all which is a matter of statewide concern, and, unless legislative action is taken, will constitute a public nuisance; and these conditions can and should be relieved by mass transportation of passengers, which an authority, as herein created, could provide.

- (2) That such street traffic congestions—have congestion has created a dangerous hazard to the lives and property of pedestrians and those traveling in private and public vehicles.
- (3) That uncongested and unobstructed traffic, both of pedestrians and those riding in or transporting merchandise in vehicles, is necessary to the public health, safety, security, prosperity, well-being, and welfare of all the people.
- (4) That such existing congestion of the streets in cities of the metropolitan class and-in-other-cities handicaps and obstructs the administration of firefighting forces and police protection forces.
- (5) That the relieving of congestion in the streets of cities of the metropolitan class, and-in-other cities-and-villages-of-lesser-population-classifications and-on-the-highways-approaching-and--leaving--such municipalities; and the providing of a comprehensive passenger transportation system in a cities of the metropolitan area class, is a matter of public interest and statewide concern and within the powers and authority inhering in and reserved to the state.
- Sec. 2. That section 14-1802, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:
- 14-1802. As used in sections 14-1801 to 14-1823, 14-1825 and 14-1826, unless the context otherwise requires:
- (1) Authority shall mean any metropolitan transit authority created by under sections 14-1801 to 14-1823. 14-1825 and 14-1826; =
- (2) Board shall mean the board of directors of any metropolitan transit authority created by under sections 14-1801 to 14-1823, 14-1825 and 14-1826;
- (3)-Governor-shall-mean-the-Governor-of-the-State of-Hebraska:

## (4)-Metropolitan-area-shall-mean:

(a)-111-of-the-territory-in--any--county--in--the State-of-Nebraska-having-within-its-limits-a-city-of--the metropolitan-class;--and--any--county--in--the--5tate--of Nebraska-immediately-contiguous-to-such-county-which--has within--its--own--limits--a--iarge--military---or--naval establishment-with-great-numbers--of--military--or--naval

personnel,-and-cities-and--villages--the--inhabitants--of which-are-required-daily-to-travel-to-and-from--any--city of-the-metropolitan-class:

- (b)-All-of-the-territory-in--any--county--of--any adjacent-state-contiguous-to-any-county-in-the--State--of Hebraska--having--within--its--limits--a--city---of---the metropolitan-class-which--applicable--laws;--federal--and state;-may-authorize-any-authority-to-serve:
- (5) (3) City of the metropolitan class shall mean all cities in the State of Nebraska defined to be cities of the metropolitan class by section 14-101; =
- (6) (4) Municipality and municipal shall mean any city of any the metropolitan class and any-village in the State of Nebraska; and :
- (7)-Ordinance-when-not-expressly-referring--to--a like-measure-of-a-municipality7-shall-mean--an--ordinance enacted-by-the-board-of--directors--of--any--metropolitan transit-authority:
- (0) (5) Bonds shall mean revenue bonds of any metropolitan transit authority established under the provisions of this act.
- Sec. 3. That section 14-1803, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:
- 14-1803. When-the-lawmaking-body-of-any-city--of the-metropolitan-class--shall--by--ordinance--direct--the submission-of-the-same,-or-when-the-qualified-electors-of any-city-of-the-metropolitan-class--in--number--not--less than-five-per-cent-of-the--next--preceding--gubernatorial wote-in-such-city,--by--petition--filed--with--the--local lawmaking--body--of--such--city;---shall---petition---the submission-of-the-same; -the-local-lawmaking-body-of--such city-shall-submit-the-following-question-to-the--vote--of the-qualified-electors-at-the--next--general--or--special election-held--not--less--than--thirty--days--after--such ordinance-is-effective-or-such-petition-is-filed:---Shall a-metropolitan-transit-authority--as--authorized--by--the Hetropolitan-Transit-Authority-Lawy-sections--44-4884--to 44-4026;-be-established--in--the--City--of-------(filling-out-the-blank-with-the-name-of-the-city)?

Yes-sereseer

The--ballots--cast--shall--be--countedy---examinedy---and canyassed-in-the--same--manner--as--ballots--cast--in--an election-of-officers-of-such-city-and-the-results-of--the election-shall-be-certified-to-the--city--clerk--of--such

city-and-to-the-Secretary-of--State:---The--Secretary--of State-shall-notify-the-Governor-promptly-of--the--results of-the-election: Any city of the metropolitan class may create by ordinance a transit authority to be managed and controlled by a board of five members which shall be elected as provided in section 13 of this act, and shall have full and exclusive jurisdiction and control over all facilities owned or acquired by such city for a public passenger transportation system: Provided, that the governing body of such city, in the exercise of its discretion, shall find and determine in the ordinance creating such transit authority that its creation is expedient and necessary. The chairman of such transit authority shall be paid, as compensation for his services, not more than two hundred fifty dollars per month. Each other member of such transit authority shall be paid as compensation for his services. be paid, as compensation for his services, not more than two hundred dollars per month. All salaries and compensation shall be obligations against and paid solely from the revenue of such transit authority. Members of such transit authority shall also be entitled to reimbursement for expenses paid or incurred in the performance of the duties imposed upon them by this act. The board may delegate to one or more of the members, or to its officers, agents, and employees, such powers and duties as it may deem proper. Any transit authority created pursuant to this act shall have and retain full and exclusive jurisdiction and control over all public passenger transportation systems in such city, excluding taxicabs and railroad systems, with the right and duty to charge and collect revenue for the operation and maintenance of such systems and for the benefit of the holders of any of its bonds or other liabilities. In the event such authority ceases to exist, its rights and properties shall pass to and vest in such city.

Sec. 4. That section 14-1804, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1804. If-a-majority-of-the-qualified-electors voting-on-the-question-mentioned-in-section-14-1803-shall vote-in-the-affirmative-the-Governor-shall-immediately establish-a-metropolitan-transit-authority--He-shall--do so-by-issuing-a-proclamation-declaring-the-existence--of such-an-authority-and-by-filing-a-copy-thereof--with--the Secretary-of--State: The authority shall be a body corporate and politic and shall be known as Metropolitan Transit Authority of (filling out the blank with the name of the city), and shall be a governmental subdivision of the State of Nebraska with the powers and authority provided by sections 14-1801 to 14-1823, 14-1825 and 14-1826. The

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authority is declared to be an instrumentality of the state exercising public and essential governmental functions in the exercise of the powers conferred upon it by sections 14-1801 to 14-1823, 14-1825 and 14-1826.

Sec. 5. That section 14-1805, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1805. For the purpose of accomplishing the object and purpose of sections 14-1801 to 14-1823, 14-1825 and 14-1826, the authority shall possess all the necessary powers of a public body corporate and governmental subdivision of the State of Nebraska, including the following powers, the enumeration of which shall not be construed as a limitation on the general powers herein conferred:

- (1) To maintain a principal office in the city of the metropolitan city class in the metropolitan area in which created: -
- (2) To adopt the official seal of the authority and to alter the same at its pleasure; \*
- (3) To employ a general manager, engineers, accountants, attorneys, financial experts, and such other employees and agents as may be necessary in its judgment, and to fix the compensation of and to discharge the same, to negotiate with employees and enter into contracts of employment, and to employ persons singularly or collectively, and, with the consent of such city, to use the services of agents, employees and facilities of such city, including the city attorney as legal advisor to such authority, for which such authority shall reimburse such city a proper proportion of the compensation or cost thereof:
- (4) To enact-ordinances, adopt by-laws and enact rules and regulations for the regulation of its affairs and for the conduct of its business; \*
- (5). To acquire, lease, own, maintain, and operate for public service an—urban—and—interurban a public passenger transportation system excluding taxicabs and railroad systems, in within or without a city of the etropolitan area class as herein defined; Provided; that a-metropolitan-transit-authority-may-not-enter-into-or operate-within-any-city-or-village--of--whatsoever statutory-population-classification; unless-and-until-so authorized-by-a-majority-vote-of-the--qualified--electors of-any-such-city-or-village-at--any--general--or--special election;

- (6) To sue and be sued in its own name, but execution shall not, in any case, issue against any of its property; Provided, however, that the lessor, vendor, or trustee under any agreement, lease, conditional sales contract, conditional lease contract, or equipment trust certificates, as provided for in subdivision (15) of this section, may repossess the equipment described therein upon default; 7
- (7) To acquire, lease and hold such real or personal property and any rights, interests, or easements therein as may be necessary or convenient for the purposes of the authority and to sell, assign, and convey the same: :
- (8) To make and enter into any and all contracts and agreements with any individual, public or private corporation or agency of the State of Nebraska, public or private corporation or agency of any state of the United States adjacent and contiguous to the city of the metropolitan area class as herein defined, and the United States of America, as may be necessary or incidental to the performance of its duties and the execution of its powers under sections 14-1801 to 14-1823, 14-1825 and 14-1826, and to enter into agreements authorized under the Interlocal Cooperative Act: 7
- (9) To contract with an operating and management company for the purpose of operating, servicing and maintaining any public passenger transportation systems of such authority: To-enter-into-any-agreement--with--any public-utility--operating--any--passenger--transportation facility-within-or--without--the--metropolitan--area--and including-any-county-in-any-adjacent-state-contiguous--to any-city-of-the-metropolitan-class-which-applicable-laws, federal-and-state; may-authorize-any-metropolitan-transit authority-to-serve-for-the-joint-use-of-any--property--of the-public-utility--or--of--the--authority;--or--for--the establishment--of--through--routes;--joint---fares;---and transfer-of-passengers:
- (10) To acquire and hold capital stock in any passenger transportation system, excluding taxicabs and railroad systems; -
- (11) To borrow money and issue and sell negotiable bonds, notes, or other evidence of indebtedness, to provide for the rights of the holders thereof and to pledge all or any part of the income of the authority received as herein provided to secure the payment thereof; <u>Provided</u>, the authority shall not have the power to pledge the credit or taxing power of the state or any political subdivision thereof, except such

tax receipts as may be authorized herein, or to place any lien or encumbrance on any property owned by the state, county, or city used by the authority; =

- (12) To receive and accept from the government of the United States of America or any agency thereof, from the State of Nebraska or any subdivision thereof, and from any person or corporation, donations or loans or grants for or in aid of the acquisition or operation of passenger transportation facilities, and to administer, hold, use, and apply the same for the purposes for which such grants or donations may have been made; =
- (13) To exercise the right of eminent domain under and pursuant to the Constitution, statutes and laws of the State of Nebraska to acquire private property, including any existing private passenger transportation system, but excluding any taxicabs, railroad, and air passenger transportation systems, which is necessary for the passenger transportation purposes of the authority and including the right to acquire rights and easements across, under, or over the right-of-way of any railroad. Exercise of the right of eminent domain shall be pursuant to sections 76-704 to 76-724; =
- (14) Subject to the continuing rights of the public to the use thereof, and---of---passenger transportation--companies--duly--authorized--to---operate thereon; to use any public road, street, or other public way in the any city of the metropolitan area class for urban--and--interurban transportation of passengers; Provided; the authority-shell-not-have-the-right--to--use any-street-or-other-public-way-in-any-city-or-village; of whatsoever---population---classification; ---for---local transportation-of-passengers--within--any--such--city--or village; --unless--and--until--authorized--so--to--do---by ordinance-or-resolution-adopted-by-the-lawmaking-body--of any-such-city-or-village;
- (15) To purchase and dispose of equipment, including motor buses, and to execute any agreement, lease, conditional sales contract, conditional lease contract, and equipment trust note or certificate to effect such purpose; :
- (16) To pay for any equipment and rentals therefor in installments and to give evidence by equipment trust notes or certificates of any deferred installments, and title to such equipment need not vest in the authority until the equipment trust notes or certificates are paid; :

- (17) To certify annually to the local lawmaking body of the city of the metropolitan class such tax for the fiscal year commencing on the first day of the following January as, in its discretion and judgment, the authority determines to be necessary, which shall not exceed in any one year one mill on the dollar on the taxable duly assessed value of all tangible real and personal property in such city of the metropolitan class, and the local lawmaking body of such city of the metropolitan class is authorized to and shall levy and collect such tax in the same manner as other taxes in such city: \( \tau \)
- (18) To apply for and accept grants and loans from the government of the United States of America, or any agency or instrumentality thereof, to be used for any of the authorized purposes of the authority, and to enter into any agreement with the government of the United States of America, or any agency or instrumentality thereof, in relation to such grants or loans, subject to the provisions hereof: T
- (19) To determine routes and to change the same subject to the provisions hereof;  $\tau$
- (20) To fix rates, fares, and charges transportation; <u>Provided</u>, that the revenues revenue derived from rates, from the taxation herein provided, and from any grants or loans herein authorized shall at all times be sufficient in the aggregate to provide for for the payment of: (a) his setropolitan transit authority, (b) interest on and setropolitan transit authority, revenue certificates, (b) interest on and equipment trust notes or certificates, and obligations of the authority, and to meet all other charges upon such revenues revenue as may be provided any trust agreement executed by such authority connection with the issuance of revenue bonds in or certificates under sections 14-1801 to 14-1823, 14-1825 and 14-1826, and (c) for the payment of any other costs and charges, acquisition, installation, replacement, or reconstruction of equipment, structures, or rights-of-way not financed through the issuance of revenue bonds or certificates: -
- (21) To provide free transportation for firemen and policemen in uniform in the city or -- village of the metropolitan class in which they are employed and for employees of such authority when in uniform or upon presentation of proper identification; :
- (22) To enter into agreements with the Post Office Department of the United States of America or its

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successors for the transportation of mail and letter carriers and the payment therefor:

(23) To exercise all powers usually granted to corporations, public and private, necessary or convenient to carry out the powers granted by sections 14-1801 to 14-1823, 14-1825 and 14-1826; and =

(24) To establish pension and retirement plans for officers and employees and to adopt any existing pension and retirement plans and any existing pension and retirement contracts for officers and employees of any passenger transportation system purchased or otherwise acquired pursuant to sections 14-1801 to 14-1823, 14-1825 and 14-1826.

Sec. 6. That section 14-1806, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1806. The authority shall have the continuing power to borrow money for the purpose of acquiring any transportation system and necessary cash working funds, for reconstructing, extending, or improving its transportation system or any part thereof, and acquiring any property and equipment useful for reconstruction, extension, improvement, and operation its transportation system or any part thereof. For the purpose of evidencing the obligation of the authority repay any money borrowed as aforesaid, the authority Bay pursuant to ordinance resolution adopted by the from time to time issue and dispose of its interest-bearing revenue bonds or certificates. It nay also from time to time issue and dispose of interest-bearing revenue bonds or certificates to refund any bonds or certificates at maturity, or pursuant to redemption provisions, or at any time before maturity with the consent of the holders thereof. All such bonds and certificates shall be payable solely from the revenue or income to be derived from the transportation system, from such tax receipts as may be herein authorized, and from such grants and loans as may be received. Such bonds and certificates may bear such date or dates, may mature at such time or times as may be fixed by the board, may bear interest at such rate or rates as may be fixed by the board, payable semiannually, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be made subject to redemption in such manner and upon such terms with or without premium as is stated on the face thereof, may be authenticated in such manner, and may contain such terms and covenants as may be provided in such ordinance resolution. The bonds may be

registered in the manner prescribed by sections 10-201 to 10-209. Notwithstanding the form or tenor thereof and in the absence of an express recital on the face thereof that it-is they are nonnegotiable, all such bonds and certificates shall be negotiable instruments. Pending the preparation and execution of any such bonds certificates, temporary bonds or certificates may with or without interest coupons as may provided by ordinance resolution of the board. To secure the payment of any or all of such bonds or certificates, and for the purpose of setting forth the covenants and undertakings of the authority in connection with the issuance thereof, and the issuance of any additional bonds or certificates, as well as the use and application of the revenue or income to be derived from transportation system, and from such tax receipts as may be herein authorized, and from any grants or loans, as provided in sections 14-1801 to 14-1823, 14-1825 and 14-1826, the authority may execute and deliver a trust agreement or agreements. No lien upon any physical property of the authority shall be created by such trust agreement or agreements. A remedy for any breach default of the terms of any such trust agreement by the authority may be by mandamus or other appropriate proceedings in any court of competent jurisdiction to compel performance and compliance therewith. The trust agreement may prescribe by whom or on whose behalf action may be instituted.

Sec. 7. That section 14-1807, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1807. Under no circumstances shall any bonds or certificates issued by the authority or any other obligation of the authority be or become an indebtedness or obligation of the State of Nebraska, or of any other political subdivision or body corporate and politic of or of any municipality within the state, nor shall any such bond, certificate, or obligation be or become an indebtedness of the authority within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond and certificate that it does not constitute such an indebtedness or obligation but is payable solely from revenues revenue and income as aforesaid, including such tax revenues revenue are revenue as may be received, as herein provided.

Sec. 8. That section 14-1808, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1808. Before any such bonds or certificates (excepting refunding bonds or certificates) are sold the entire authorized issue, or any part thereof, shall be offered for sale as a unit after advertising for bids least three times in a daily newspaper of general circulation published in the <u>city of the</u> metropolitan area <u>class</u>, the last publication to be at least ten days before bids are required to be filed. Copies of such advertisement may also be published in any newspaper financial publication in the United States. bids shall be sealed, filed, and opened as provided ordinance-enacted resolution adopted by the authority, and the bonds or certificates shall be awarded to highest and best bidder or bidders therefor. The authority shall have the right to reject all bids readvertise for bids in the manner provided for in and the initial advertisement. If no bids are received bonds or certificates may be sold at the test possible price according to the discretion of the board, without further advertising, within thirty days after the hids are required to be filed pursuant to any advertisement.

Sec. 9. That section 14-1809, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1809. Bonds issued by the authority under the provisions of sections 14-1801 to 14-1823, 14-1825 and 14-1826 are hereby made securities in which the state and all political subdivisions of the state, their officers, boards, commissions, departments, or other agencies, all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies, insurance associations, and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, and all other persons whatsoever who now are or may hereafter be authorized to invest in bonds or other obligations of the state, properly and legally invest any funds, including capital belonging to them or within their control. Such bonds or obligations hereby other securities or are securities which may properly and legally be deposited with and received by any state or municipal officers or agency of the state for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized by law.

Sec. 10. That section 14-1810, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1810. An authority created pursuant to sections 14-1801 to <u>14-1823, 14-1825 and</u> 14-1826 being a

governmental subdivision of the State of Nebraska to exercise public and essential governmental functions, all property thereof, all operations thereof, and all rights to operate, of whatsoever character, and all bonds and equipment trust notes or certificates issued by it, shall be exempt from any and all forms of assessment and taxation, and from all other governmental and municipal licenses, excises, and charges.

Sec. 11. That section 14-1811, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

- 14-1811. (1) The authority shall have power to purchase equipment, including motor buses, and may execute agreements, leases, conditional sales contracts, may conditional lease contracts, and equipment trust notes or certificates in the form customarily used in such cases appropriate to effect such purchase, and may dispose of such equipment trust notes or certificates. All money required to be paid by the authority under the provisions of such agreements, leases, and equipment notes or trust certificates shall be payable solely from the revenue or income to be derived from the transportation systems, and from such tax receipts as may be herein authorized and from grants and loans received, as provided in sections 14-1801 to 14-1823, 14-1825 and 14-1826. Payment for such equipment, or rentals therefor, may be made in installments, and the deferred installments may be evidenced by equipment trust notes or certificates payable solely from such sources of income, and title to such equipment need not vest in the authority until the equipment trust notes or certificates are paid, but when payment is accomplished the equipment title shall west in the authority.
- (2) The agreement to purchase may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the State of Nebraska, as trustee, for the benefit and security of the equipment trust notes or certificates, and may direct the trustee to deliver the equipment to one or more designated officers of the authority, and may authorize the trustee simultaneously therewith to execute and deliver a lease of the equipment to the authority.
- (3) The agreements, leases, contracts, or equipment trust certificates shall be duly acknowledged before some person authorized by law to take acknowledgments of deeds, and in the form required for acknowledgment of deeds, and such agreements, leases, and equipment trust notes or certificates shall be authorized by ordinance resolution of the board, and shall contain

such covenants, conditions, and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust notes or certificates from the revenue and income of the authority.

(4) The covenants, conditions, and provisions of the agreements, leases, contracts, and equipment trust notes or certificates shall not conflict with any of the provisions of any trust agreement securing the payment of revenue bonds or certificates of the authority.

Sec. 12. That section 14-1812, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1812. The governing body of the authority shall be a board to be known as fletropolitan The Transit Authority of ........... Board, filling out the blank with the name of the city, which shall consist of five members, to be elected as provided in section 14-1813.

Sec. 13. That section 14-1813, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1813. Within thirty ten days following--the issuance-of--the--proclamation--declaring--the--existence after the creation of the authority (1) the-Governor -- and the mayor, with the approval of the city council, each appoint one-member two members of the board who shall serve until their successors, elected at the first general city election following such appointment, shall qualify and take office, (2) the Governor and the mayor, with the approval of the city council, shall each appoint one-member two members of the board who shall serve until their successors, elected at the second general election following such appointment, shall qualify and election following such appointment, shall quality and take office, and (3) the mayor, with the approval of the city council, shall appoint one member of the board who shall serve until his successor, elected at the third general city election following such appointment, shall qualify and take office. Upon the expiration of the terms of such appointed officers, members of the board shall be nominated and elected in the manner provided by law for the election of officers of the city concerned and shall take office at the same time as the officers of such city. Members of such board shall be residents of the city for which such authority is created, and, except for members initially appointed, shall serve for a term of four years. Any vacancy on such board, resulting other than from expiration of a term of office, shall be filled by temporary appointment by the mayor, with the approval of the city council, until a successor can be elected, at the next general city election, to serve the unexpired portion, if any, of the term. Each member, before entering upon the duties of his office, shall file with the Secretary-of-State city clerk his oath that he will duly and faithfully perform all the duties of his office to the best of his ability, and a bond in the penal sum of five thousand dollars executed by one or more qualified sureties for the faithful performance of his duties. If any member shall fail to file such oath and bond on or before the first day of the term for which he was appointed or elected, his office shall be deemed to be vacant. A member of such board may be removed from office for incompetence, neglect of duty, or malfeasance in office. An action for the removal of such officer may be brought, upon resolution of the city council, in the district court of the county in which such city is located.

Sec. 14. That section 14-1814, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

Not later than fifteen seven days after 14-1814. the qualification of the original members, the board shall organize for the transaction of business, select a chairman and vice-chairman from among members and shall adopt by-laws, rules, and regulations to govern its proceedings. The original chairman vice-chairman and their successors shall be elected annually by the board from-time-to-time and shall serve for a term of three-years one year. Any vacancy in offices of chairman and vice-chairman shall be filled election by the board. A quorum for the transaction of business shall consist of four three members of the board. Regular meetings of the board shall be held at least once in each calendar month at the time and place to be fixed by the board. All actions of the board shall be by ordinance-or resolution, as-the-board-may-determine except as may otherwise be provided in sections 14-1801 to 14-1823, 14-1825 and 14-1826, and the affirmative vote of at least three members shall be necessary for the adoption of any ordinance--or resolution. Any such ordinance-or resolution shall be approved by the chairman of the board, or in his absence by the vice-chairman the board, before taking effect. If he shall approthereof he shall sign the same. If he shall not appro of approve thereof, he shall return the ordinance-or resolution the board with his objections thereto in writing at the next regular meeting of the board occurring after passage thereof. If the chairman shall fail to re the passage thereof. If the chairman shall fail to return any ordinance-or resolution with his written objections to the board within the time aforesaid, he shall be deemed to have approved the same and it shall take

effect; any ordinance-or resolution not approved by the chairman may be passed by the affirmative vote of at least four members of the board. The board shall cause to be kept accurate minutes of all of its proceedings. All ordinances, resolutions, and all proceedings of the authority and all official documents and records of the authority shall be public records and open to public inspection, except such documents and records as shall be prepared and kept for use in negotiations, actions, or proceedings, to which the authority is a party.

Sec. 15. That section 14-1818, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1818. The board shall provide by ordinance resolution for the manner of handling all receipts, the depositing of same in banks, and the investment of same when practicable, and of all disbursements, and shall provide for the keeping of accurate books of account of all of same.

Sec. 16. That section 14-1820, Reissue Revised Statutes of Nebraska, 1943, he amended to read as follows:

14-1820. As soon after the end of each fiscal year as may be expedient, the board shall cause to be prepared and printed a complete and detailed report and financial statement of its operations and of its assets and liabilities. A reasonably sufficient number of copies of such report shall be printed for distribution to persons interested, upon request, and a copy thereof shall be mailed to the mayor and members of the city council and filed with the-Governor, the-county-clerks-of any-county-in-which-the-authority-shall-operate, and the city clerk of the city of the metropolitan class. each municipality, the-electors-of-which-have--granted--rights to-the-authority-by-ordinance.

Sec. 17. That section 14-1821, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1821. To assist in the defraying of all character of expense of the authority, and to such extent as in its discretion and judgment may be necessary, the board shall annually certify a tax for the fiscal year commencing on the following January 1. Such tax shall not exceed in any one year one mill on the dollar on the assessed value of all tangible real and personal property in the metropolitan city in of the metropolitan area class, taxable according to the laws of the State of

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Nebraska. The chairman-and-secretary-of-such board shall by resolution, on or before July 31, certify such tax levy to the city council of such metropolitan city. Such city is hereby authorized and required to cause such tax to be levied and to be collected as are other taxes by the treasurer of such metropolitan city or the county treasurer as ex officio treasurer of the city in which said metropolitan city is situated, and paid over by him to the treasurer of such board, subject to the order of such board. If in any year the full amount so certified and collected is not needed for the current purposes of such authority, the balance shall be credited to reserves of such authority, to be used for acquisition of necessary property and equipment.

Sec. 18. That section 14-1822, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1822. The board shall make all rules and regulations, according to its discretion, governing the operation of the transportation system, and shall determine all routings and change the same whenever deemed advisable by the board. The board shall fix rates, fares, and charges for transportation: Provided, that such revenues revenue, together with revenues revenue made available through taxation and revenues revenue from any grants or loans received as provided in sections 14-1801 to 14-1823, 14-1825 and 14-1826, shall be at all times sufficient in the aggregate to provide revenues revenue: (1) For the payment of the interest on and principal of all revenue bonds or certificates and other obligations of the authority, and to meet all other charges upon such revenues revenue as provided by any trust agreement executed by the authority in connection with the issuance of revenue bonds or certificates under sections 14-1801 to 14-1823, 14-1825 and 14-1826; (2) for the payment of all operating costs of whatsoever character incidental to the operation of the transportation system; and (3) for the payment of any other costs and charges for the acquisition, installation, replacement, or reconstruction of equipment, structures, or rights-of-way not financed through issuance of revenue bonds or certificates.

Sec. 19. That section 14-1823, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1823. It shall be the duty of the board, as promptly as possible, to rehabilitate, reconstruct, and modernize all portions of any transportation system

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acquired, and to maintain at all times an adequate and modern transportation system suitable and adapted to the needs of the municipalities city served by the authority, and for safe, comfortable, convenient, and expeditious service. To assure modern, attractive transportation service the board may establish a depreciation policy which makes provision for the continuous and prompt replacement of worn out and obsolete property and the board may make provision for such depreciation of property of the authority as is not offset by current expenditures for maintenance, repairs, and replacements, under such rules and regulations as may be prescribed by the board.

20. That section 14-1826, Reissue Revised Sec. Statutes of Nebraska, 1943, be amended to read as follows:

14-1826. Sections 14-1801 to 14-1823, 14-1825 and 14-1826 shall be known and may be cited as the Metropolitan Transit Authority Law.

Sec. 21. That original sections 14-1801 to 14-1814, 14-1818, 14-1820 to 14-1823 and 14-1826, Reissue Revised Statutes of Nebraska, 1943, and also sections 14-1815, 14-1817, and 14-1824, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 22. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law. DEAL SERVICE S

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