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LEGISLATIVE BILL 446

Approved by the Governor March 18, 2002

Introduced by Hudkins, 21; McDonald, 41

AN ACT relating to aeronautics; to amend sections 3-129, 3-133, 3-157, 3-239, 3-501, 3-508, 3-513, and 3-514, Reissue Revised Statutes of Nebraska; to change provisions relating to airports, landing areas, airport projects, and funding; to provide and change powers and duties; to define terms; to eliminate a reappraisal requirement and obsolete references; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 3-129, Reissue Revised Statutes of Nebraska, is amended to read:

 $\,$ Sec. 2. Section 3-133, Reissue Revised Statutes of Nebraska, is amended to read:

3-133. All Any proposed airports, airport or restricted landing areas and other air navigation area shall be first licensed by the department before they, or any of them, such airport or area shall be used or operated. Any municipality or person acquiring property for the purpose of constructing or establishing an airport or restricted landing area shall, prior to such acquisition, make application to the department for a certificate of approval of the site selected and the general purpose or purposes for which the property is to be acquired, to insure that the property and its use shall conform to minimum standards of safety and shall serve the public interest. It shall be unlawful for any municipality or officer or employee thereof, or for any person, to operate an airport, or restricted landing area, or other air navigation facility for which an annual a license has not been issued by the department.

Sec. 3. Section 3-157, Reissue Revised Statutes of Nebraska, is amended to read:

3-157. The Department of Aeronautics may lease for a period not exceeding twelve years real property held by the department that has been offered for sale for two consecutive years and has not been sold. The lease shall provide for annual rental payments based on fair rental value. The rental payments shall be deposited in the Department of Aeronautics Cash Fund. The department shall cause reappraisals to be made of the land under lease when it deems it necessary due to changes in buildings or improvements, changes in the land, or for other reasons. A reappraisal shall be made at least once every five years. The department may, after the expiration of any lease, offer such land for sale by public auction as set forth in section 3-155 or may enter into another lease.

Sec. 4. Section 3-239, Reissue Revised Statutes of Nebraska, is amended to read:

3-239. (1) No city, county, village, city airport authority, county airport authority, joint airport authority, or authority municipality in this state, whether acting alone or jointly with another city, county, village, city airport authority, county airport authority, joint airport authority, or authority municipality, or with the state, shall submit to any federal agency or department any project application under the provisions of any act of Congress which provides airport planning or airport construction and development funds for the expansion and improvement of the airport system, unless the project and the project application have been first approved by the Department of Aeronautics.

(2) Except as provided in subsection (3) of this section, no No such city, county, village, city airport authority, county airport authority, joint airport authority, or authority municipality shall directly accept, receive, receipt for, or disburse any funds granted by the United States under any such act of Congress pursuant to subsection (1) of this section, but it shall

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designate the Department of Aeronautics as its agent and in its behalf to accept, receive, receipt for, and disburse such funds. Such eities, counties, villages, and authorities and municipalities shall enter into an agreement with the department prescribing the terms and conditions of such agency in accordance with federal laws, rules and regulations, and applicable laws of this state. Such money as is paid by the United States shall be retained by the state or paid over to said city, county, village, the city airport authority, county airport authority, joint airport authority, or authority municipality under such terms and conditions as may be imposed by the United States in making such grant.

- (3) Any city airport authority, county airport authority, joint airport authority, or municipality operating a primary airport may directly accept, receive, receipt for, and disburse any funds granted by the United States for the primary airport under the provisions of any act of Congress pursuant to subsection (1) of this section by informing the department, in writing, of its intent to do so. If an airport loses its status as a primary airport before signing a grant agreement with the United States, the airport shall be subject to the provisions of subsection (2) of this section.
 - (4) For purposes of this section:
- (a) City airport authority means an authority established pursuant to the Cities Airport Authorities Act;
- (b) County airport authority means an authority established under sections 3-601 to 3-622;
- (c) Joint airport authority means an authority established under the Joint Airport Authorities Act;
- (d) Municipality means any county, city, village, or town of this state and any other political subdivision, public corporation, authority, or district in this state which is or may be authorized by law to acquire, establish, construct, maintain, improve, and operate airports and other air navigation facilities; and
 - (e) Primary airport means any airport which:
 - (i) Receives scheduled passenger air service;
- (ii) Has at least ten thousand revenue passenger enplanements or boardings, as officially recorded by the United States, in at least one of the most recent five calendar years for which official numbers are available; and
- (iii) Does not receive any funds apportioned by the United States for nonprimary airports.
- Sec. 5. Section 3-501, Reissue Revised Statutes of Nebraska, is amended to read:
- 3-501. As used in sections 3-201, and 3-239, and 3-501 to 3-514 the Cities Airport Authorities Act, unless the context otherwise requires:
- (1) Authority shall mean means an airport authority which shall be a body politic and corporate organized pursuant to section 3-502;
- (2) City shall mean means any city or village of the State of Nebraska; mayor and city council shall in the case of a village mean chairman of the board of trustees and board of trustees, respectively;
- (3) Bonds shall mean means bonds issued by the authority pursuant to the provisions of sections 3 201, 3 239, and 3 501 to 3 514 the Cities Airport Authorities Act;
 - (4) Board shall mean means the members of the authority;
- (5) Mayor and city council means, in the case of a village, the chairperson of the board of trustees and the board of trustees, respectively;
- (6) Real property shall mean means lands, structures, and interests in land, including lands under water and riparian rights, and any and all things and rights usually included within the term real property, including not only fee simple absolute but also any and all lesser interests, such as easements, rights-of-way, uses, leases, licenses, and all other incorporeal hereditaments and every estate, interest, or right, legal or equitable, pertaining to real property; and
- (7) (6) Project shall mean means any airport operated by the authority, including all real and personal property, structures, machinery, equipment, and appurtenances or facilities which are part of such airport or used or useful in connection therewith either as ground facilities for the convenience of handling aviation equipment, passengers, and freight or as part of aviation operation, air navigation, and air safety operation.
- Sec. 6. Section 3-508, Reissue Revised Statutes of Nebraska, is amended to read:
- 3-508. The State of Nebraska does covenant and agree with the holders of bonds issued by an authority that the state will not limit or alter the rights hereby vested in an authority to acquire, maintain, construct, reconstruct, and operate projects, to establish and collect such rates, rentals, tolls, charges, license fees, and other fees as may be convenient or

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necessary to produce sufficient revenue to meet the expense of maintenance and operation of such projects and to fulfill the terms of any agreements made with holders of bonds of the authority. The state will also not in any way impair the rights and remedies of the bondholders until the bonds together with interest thereon and with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the bondholders, are fully met and discharged. The provisions of sections 3-2017 and 3-2397 and 3-501 to 3-514 the Cities Airport Authorities Act and of the proceedings authorizing bonds thereby shall constitute a contract with the holders of said the bonds.

Sec. 7. Section 3-513, Reissue Revised Statutes of Nebraska, is amended to read:

3-513. Insofar as the provisions of sections $3-201_7$ and $3-239_7$ and 3-501 to 3-514 the Cities Airport Authorities Act are inconsistent with the provisions of any other act or of any city charter, if any, the provisions of sections $3-201_7$ and $3-239_7$ and 3-501 to 3-514 the Cities Airport Authorities Act shall be controlling.

Sec. 8. Section 3-514, Reissue Revised Statutes of Nebraska, is amended to read:

3-514. Sections $\frac{3-201}{3-239}$, and 3-501 to 3-514 shall be known and may be cited as the Cities Airport Authorities Act.

Sec. 9. Original sections 3-129, 3-133, 3-157, 3-239, 3-501, 3-508, 3-513, and 3-514, Reissue Revised Statutes of Nebraska, are repealed.