

AMENDMENTS TO LB1317
(Amendments to E & R amendments, ER129)

Introduced by von Gillern, 4.

1 1. Strike section 78 and insert the following new sections:

2 Sec. 51. Section 18-1208, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 18-1208 (1) Except as otherwise provided in this section, after July
5 19, 2012, a municipality may impose a new occupation tax or increase the
6 rate of an existing occupation tax, which new occupation tax or increased
7 rate of an existing occupation tax is projected to generate annual
8 occupation tax revenue in excess of the applicable amount listed in
9 subsection (2) of this section, pursuant to section 14-109, 15-202,
10 15-203, 16-205, or 17-525 if the question of whether to impose the tax or
11 increase the rate of an existing occupation tax has been submitted at an
12 election held within the municipality and in which all registered voters
13 shall be entitled to vote on the question. The officials of the
14 municipality shall order the submission of the question by submitting a
15 certified copy of the resolution proposing the tax or tax rate increase
16 to the election commissioner or county clerk at least fifty days before
17 the election. The election shall be conducted in accordance with the
18 Election Act. If a majority of the votes cast upon the question are in
19 favor of the new tax or increased rate of an existing occupation tax,
20 then the governing body of such municipality shall be empowered to impose
21 the new tax or to impose the increased tax rate. If a majority of those
22 voting on the question are opposed to the new tax or increased rate, then
23 the governing body of the municipality shall not impose the new tax or
24 increased rate but shall maintain any existing occupation tax at its
25 current rate.

26 (2) The applicable amount of annual revenue for each new occupation

1 tax or annual revenue raised by the increased rate for an existing
2 occupation tax for purposes of subsection (1) of this section is:

3 (a) For cities of the metropolitan class, six million dollars;

4 (b) For cities of the primary class, three million dollars;

5 (c) For cities of the first class, seven hundred thousand dollars;

6 and

7 (d) For cities of the second class and villages, three hundred
8 thousand dollars.

9 (3) After July 19, 2012, a municipality shall not be required to
10 submit the following questions to the registered voters:

11 (a) Whether to change the rate of an occupation tax imposed for a
12 specific project which does not provide for deposit of the tax proceeds
13 in the municipality's general fund; or

14 (b) Whether to terminate an occupation tax earlier than the
15 determinable termination date under the original question submitted to
16 the registered voters.

17 This subsection applies to occupation taxes imposed prior to, on, or
18 after July 19, 2012.

19 (4) This section shall ~~The provisions of this section do~~ not apply
20 to (a) an occupation tax subject to section 86-704 or (b) a municipality
21 imposing an occupation tax within that portion of a good life district
22 established pursuant to the Good Life Transformational Projects Act which
23 is located within the corporate limits of such municipality if the good
24 life district applicant has approved of the occupation tax.

25 (5) No later than ninety days after the end of the fiscal year, each
26 municipality that imposes or increases any occupation tax as provided
27 under this section shall provide an annual report on the collection and
28 use of such occupation tax. The report shall be posted on the
29 municipality's public website or made available for public inspection at
30 a location designated by the municipality. The report shall include, but
31 not be limited to:

1 (a) A list of all such occupation taxes collected by the
2 municipality;

3 (b) The amount generated annually by each such occupation tax;

4 (c) Whether funds generated by each such occupation tax are
5 deposited in the general fund, cash funds, or other funds of the
6 municipality;

7 (d) Whether any such occupation tax is dedicated for a specific
8 purpose, and if so, the amount dedicated for such purpose; and

9 (e) The scheduled or projected termination date, if any, of each
10 such occupation tax.

11 Sec. 72. Section 77-2701.02, Revised Statutes Supplement, 2023, is
12 amended to read:

13 77-2701.02 Pursuant to section 77-2715.01:

14 (1) Until July 1, 1998, the rate of the sales tax levied pursuant to
15 section 77-2703 shall be five percent;

16 (2) Commencing July 1, 1998, and until July 1, 1999, the rate of the
17 sales tax levied pursuant to section 77-2703 shall be four and one-half
18 percent;

19 (3) Commencing July 1, 1999, and until the start of the first
20 calendar quarter after July 20, 2002, the rate of the sales tax levied
21 pursuant to section 77-2703 shall be five percent;

22 (4) Commencing on the start of the first calendar quarter after July
23 20, 2002, and until July 1, 2023, the rate of the sales tax levied
24 pursuant to section 77-2703 shall be five and one-half percent;~~and~~

25 (5) Commencing July 1, 2023, and until July 1, 2024, the rate of the
26 sales tax levied pursuant to section 77-2703 shall be five and one-half
27 percent, except that such rate shall be two and three-quarters percent on
28 transactions occurring within a good life district as defined in section
29 77-4403; and -

30 (6) Commencing July 1, 2024, the rate of the sales tax levied
31 pursuant to section 77-2703 shall be five and one-half percent, except

1 that such rate shall be two and three-quarters percent on transactions
2 that occur within that portion of a good life district established
3 pursuant to the Good Life Transformational Projects Act which is located
4 within the corporate limits of a city or village.

5 Sec. 80. Section 77-4405, Revised Statutes Supplement, 2023, is
6 amended to read:

7 77-4405 (1) If the department finds that the project described in
8 the application meets the eligibility requirements of this section, the
9 application shall be approved.

10 (2) A project is eligible if:

11 (a) The applicant demonstrates that the total new development costs
12 of the project will exceed:

13 (i) One billion dollars if the project will be located in a city of
14 the metropolitan class;

15 (ii) Seven hundred fifty million dollars if the project will be
16 located in a city of the primary class;

17 (iii) Five hundred million dollars if the project will be located in
18 a city of the first class, city of the second class, or village within a
19 county with a population of one hundred thousand inhabitants or more; or

20 (iv) One hundred million dollars if the project will be located in a
21 city of the first class, city of the second class, or village within a
22 county with a population of less than one hundred thousand inhabitants;

23 (b) The applicant demonstrates that the project will directly or
24 indirectly result in the creation of:

25 (i) One thousand new jobs if the project will be located in a city
26 of the metropolitan class;

27 (ii) Five hundred new jobs if the project will be located in a city
28 of the primary class;

29 (iii) Two hundred fifty new jobs if the project will be located in a
30 city of the first class, city of the second class, or village within a
31 county with a population of one hundred thousand inhabitants or more; or

1 (iv) Fifty new jobs if the project will be located in a city of the
2 first class, city of the second class, or village within a county with a
3 population of less than one hundred thousand inhabitants; and

4 (c)(i) For a project that will be located in a county with a
5 population of one hundred thousand inhabitants or more, the applicant
6 demonstrates that, upon completion of the project, at least twenty
7 percent of sales at the project will be made to persons residing outside
8 the State of Nebraska or the project will generate a minimum of six
9 hundred thousand visitors per year who reside outside the State of
10 Nebraska and the project will attract new-to-market retail to the state
11 and will generate a minimum of three million visitors per year; or

12 (ii) For a project that will be located in a county with a
13 population of less than one hundred thousand inhabitants, the applicant
14 demonstrates that, upon completion of the project, at least twenty
15 percent of sales at the project will be made to persons residing outside
16 the State of Nebraska.

17 (3) The applicant must certify that any anticipated diversion of
18 state sales tax revenue will be offset or exceeded by sales tax paid on
19 anticipated development costs, including construction to real property,
20 during the same period.

21 (4) A project is not eligible if the project includes a licensed
22 racetrack enclosure or an authorized gaming operator as such terms are
23 defined in section 9-1103, except that this subsection shall not apply to
24 infrastructure or facilities that are (a) publicly owned or (b) used by
25 or at the direction of the Nebraska State Fair Board, so long as no
26 gaming devices or games of chance are expected to be operated by an
27 authorized gaming operator within any such facilities.

28 (5) Approval of an application under this section shall establish
29 the good life district as that area depicted in the map accompanying the
30 application as submitted pursuant to subdivision (1)(b) of section
31 77-4404. Such district shall last for thirty ~~twenty-five~~ years and shall

1 not exceed two thousand acres in size if in a city of the metropolitan
2 class or three thousand acres in size if in any other class of city or
3 village.

4 (6)(a) Prior to July 1, 2024, any transactions sourced under
5 sections 77-2703.01 to 77-2703.04 to a good life district shall be
6 subject to a reduced state sales tax rate as provided in subdivision (5)
7 of section 77-2701.02.

8 (b) On and after July 1, 2024, any transactions sourced under
9 sections 77-2703.01 to 77-2703.04 to a good life district shall be
10 subject to a reduced state sales tax rate as provided in subdivision (6)
11 of section 77-2701.02.

12 (c) Any change to the state sales tax rate authorized under the Good
13 Life Transformational Projects Act shall be subject to the notice
14 requirements and effective dates as provided in section 77-27,143.

15 (7) After establishment of a good life district pursuant to this
16 section, a good life district applicant may adjust the boundaries of the
17 district by filing an amended map with the department and updates or
18 supplements to the application materials originally submitted by the good
19 life district applicant to demonstrate the eligibility criteria in
20 subsection (2) of this section will be met after the boundaries are
21 adjusted. The department shall approve the new boundaries on the
22 following conditions:

23 (a) The department determines that the eligibility criteria in
24 subsection (2) of this section will continue to be met after the proposed
25 boundary adjustment based on the materials submitted by the good life
26 district applicant; and

27 (b) For any area being removed from the district:

28 (i) The department shall solicit and receive from the city or
29 village in which all or a portion of the good life district is located
30 confirmation that no area being removed is attributable to local sources
31 of revenue which have been or are expected to be pledged for payment of

1 bonds issued pursuant to the Good Life District Economic Development Act.
2 Such confirmation may include resolutions, meeting minutes, or other
3 official measures adopted or taken by the city council or village board
4 of trustees; and

5 (ii) Either the department has received written consent from the
6 owners of real estate proposed to be removed from the good life district,
7 or a hearing is held by the department in the manner described in this
8 subdivision and the department finds that the removal of the affected
9 property is in the best interests of the state, that the removal is
10 consistent with the approved application for the good life district, and
11 that there are no economic development plans for the affected property
12 which are consistent with the goals and purposes of the approved
13 application which would be negatively affected and which have been
14 approved by the city council or village board of trustees. Such hearing
15 must be held at least forty-five days after delivering written notice via
16 certified mail to the owners of record for the affected real estate
17 proposed to be removed from the good life district and the city or
18 village. The hearing must be open to the public and for the stated
19 purpose of hearing testimony regarding the proposed removal of property
20 from the good life district. Attendees must be given the opportunity to
21 speak and interested parties much be allowed to submit documentary
22 evidence at, prior to, or contemporaneously with such hearing for the
23 department to consider in making its findings.

24 (8) After establishment of a good life district pursuant to this
25 section, but within twelve months after the approval of the original
26 application or after any modification is made to the boundaries of a good
27 life district pursuant to this section, a city or village in which any
28 part of the applicable good life district is located may file a
29 supplemental request to the department to increase the size of the good
30 life district by up to one thousand acres. Such supplemental request
31 shall be accompanied by such materials and certifications necessary to

1 demonstrate that such increase would not negatively impact the criteria
2 that were necessary for the original establishment of such good life
3 district.

4 (9) After establishment of a good life district pursuant to this
5 section and after any modification is made to the boundaries of a good
6 life district pursuant to this section, the department shall transmit to
7 any city or village which includes such good life district within its
8 boundaries or within its extraterritorial zoning jurisdiction (a) all
9 information held by the department related to the application and
10 approval of the application, (b) all documentation which describes the
11 property included within the good life district, and (c) all
12 documentation transmitted to the applicant for such good life district
13 with approval of the application and establishment of the good life
14 district. Such city or village shall be subject to the same
15 confidentiality restrictions as provided in subsection (3) of section
16 77-4404, except that all such documents, plans, and specifications
17 included in the application which the city or village determine define or
18 describe the project may be provided upon written request of any person
19 who owns property in the applicable good life district.

20 (10) After establishment of a good life district that exceeds one
21 thousand acres in size, the good life district applicant may apply to the
22 department to establish development and design standards for the good
23 life district. Such standards may include, but are not limited to,
24 standards for architectural design, landscape design, construction
25 materials, and sustainability, but may not require property owners to
26 utilize specific contractors, professionals, suppliers, or service
27 providers. The department may approve the standards after holding a
28 hearing after one hundred eighty days' notice to all property owners in
29 the district if the department finds that the standards will ensure a
30 comprehensive and cohesive character and aesthetic for development in the
31 good life district, and that the standards will further the purposes of

1 the Good Life Transformational Projects Act. The development and design
2 standards must be commercially reasonable and consistent with terminology
3 and accepted practices in the architecture industry, must not conflict
4 with any building code or other similar law or regulation, and must not
5 impose an undue burden on property owners in the district. If approved,
6 the standards shall apply to all new construction inside of the good life
7 district. Notwithstanding the foregoing, any such standards established
8 by the department shall be in addition and supplemental to any local
9 zoning, building code, comprehensive plan, or similar requirements of the
10 city or village, which requirements of the city or village shall control
11 to the extent of any conflict with any design standards established by
12 the department.

13 (11) Demonstration of meeting the required new development costs for
14 purposes of subdivision (2)(a) of this section may be established by
15 evidence submitted by the good life district applicant, the city or
16 village where the good life district is located, or any other person
17 which submits satisfactory evidence to the department.

18 (12) It is the intent of the Legislature to encourage public-private
19 partnerships to build the infrastructure within a good life district that
20 (a) is adjacent to a controlled-access highway that is part of the
21 National System of Interstate and Defense Highways and (b) is located
22 within a county with a population of one hundred thousand inhabitants or
23 more. In any development agreement between a good life district applicant
24 and a city in which the good life district applicant has agreed to be
25 responsible for the infrastructure within the good life district, the
26 city shall also agree, at a minimum, to annually contribute to such
27 infrastructure a sum of money equal to the amount raised by a one and
28 one-half percent sales tax within the good life district.

29 ~~(6) Upon establishment of a good life district under this section,~~
30 ~~any transactions occurring within the district shall be subject to a~~
31 ~~reduced sales tax rate as provided in section 77-2701.02.~~

1 Sec. 81. Section 77-4406, Revised Statutes Supplement, 2023, is
2 amended to read:

3 77-4406 The department shall terminate a good life district
4 established pursuant to section 77-4405 if ~~the applicant has not met~~
5 seventy-five percent of the investment threshold required under
6 subdivision (2)(a) of section 77-4405 has not been met within ten years
7 after establishment of such district. The department shall measure the
8 amount of such investment from evidence submitted by the good life
9 district applicant, the city or village in which all or a portion of the
10 district is located, or any other source determined appropriate by the
11 department. The good life district applicant, or the city or village in
12 which all or a portion of the district is located, shall submit a
13 progress report detailing the investment made in the district two years
14 after establishment of such district and five years after establishment
15 of such district.

16 2. On page 2, strike lines 5 through 17 and insert the following new
17 subdivision:

18 "(4) Eligible costs means payment and reimbursement of (a) the costs
19 of acquisition, planning, engineering, designing, financing,
20 construction, improvement, rehabilitation, renewal, replacement, repair,
21 landscaping, irrigation, and maintenance of privately and publicly owned
22 real estate, buildings, improvements, fixtures, equipment, and other
23 physical assets within a good life district and debt service on such real
24 estate, buildings, improvements, fixtures, equipment, and other physical
25 assets, (b) the costs of construction and acquisition of publicly owned
26 infrastructure and publicly owned property rights within or related to a
27 good life district, (c) the costs of development, acquisition,
28 maintenance, and enhancement of technology assets to include hardware,
29 software, and related intellectual property, if the initial exclusive use
30 of such property is in or related to the good life district program area,
31 (d) the costs of marketing, tenant improvement allowances, and tenant and

1 customer acquisition and retention, and (e) city costs related to
2 implementing, operating, and funding a good life district economic
3 development program;".

4 3. On page 6, strike beginning with "Provided" in line 22 through
5 "the" in line 24 and insert "The".

6 4. On page 7, line 4, after the period insert "The city shall not
7 enter into a contract or agreement with a qualifying business for
8 assistance that uses local sources of revenue collected from property
9 owned by the good life district applicant unless the contract or
10 agreement is approved by the good life district applicant. This
11 subsection shall not be construed to provide a city with any power it
12 would not otherwise have by law to restrict a business lawfully permitted
13 to operate in this state from locating in a good life district."; and in
14 line 30 after "to" insert "the greater of (a) the difference between the
15 state sales tax rate levied in general and the state sales tax rate
16 levied on transactions occurring within a good life district or (b)".

17 5. On page 8, line 9, after the period insert "Such sales and use
18 tax shall be subject to the same notice requirements and effective dates
19 as provided in section 77-27,143."

20 6. On page 9, line 4, after "ordinance" insert ", or dedicated to
21 pay such expenses as agreed to between the city and the good life
22 district applicant".

23 7. Renumber the remaining sections and correct internal references
24 accordingly.

25 8. Correct the operative date and repealer sections so that the
26 sections added by this amendment become operative on their effective
27 date.