

E AND R AMENDMENTS TO LB 1317

Introduced by Ballard, 21, Chairman Enrollment and Review

1 1. Strike the original sections and all amendments thereto and
2 insert the following new sections:

3 Section 1. Sections 1 to 23 of this act shall be known and may be
4 cited as the Good Life District Economic Development Act.

5 Sec. 2. The Legislature finds that:

6 (1) There is a high degree of competition among states and
7 municipalities in our nation in their efforts to provide incentives for
8 businesses to expand or to locate in their respective jurisdictions; and

9 (2) Municipalities in Nebraska are unable to effectively assist the
10 development within good life districts formed pursuant to the Good Life
11 Transformational Projects Act because of their inability under Nebraska
12 law to raise sufficient capital to replace the state sales tax which is
13 reduced when a good life district is established. Without an efficient
14 replacement of such sales tax with local sources of revenue, development
15 within good life districts will fall short of reaching the full potential
16 intended by the Legislature when it enacted the Good Life
17 Transformational Projects Act, resulting in lower sales tax revenues for
18 the state. To prevent such diminished revenues for the state and to
19 promote local economic development where good life districts exist, local
20 sources of revenue must be established which are tailored to meet the
21 needs of the local community and benefit the state, if the voters in the
22 municipality determine that it is in the best interest of their community
23 to do so.

24 Sec. 3. For purposes of the Good Life District Economic Development
25 Act, unless the context otherwise requires:

26 (1) City means any city of the metropolitan class, city of the
27 primary class, city of the first class, city of the second class, or

1 village, including any city operated under a home rule charter;

2 (2) Bond has the same meaning as in section 10-134;

3 (3) Election means any general election, primary election, or
4 special election called by the city as provided by law;

5 (4) Eligible costs means payment and reimbursement of (a) the costs
6 of acquisition, construction, improvement, rehabilitation, renewal,
7 replacement, repair, and maintenance of privately and publicly owned real
8 estate, buildings, improvements, fixtures, equipment, and other physical
9 assets within a good life district, (b) the costs of construction and
10 acquisition of publicly owned infrastructure and publicly owned property
11 rights within or related to a good life district, (c) the costs of
12 development, acquisition, maintenance, and enhancement of technology
13 assets to include hardware, software, and related intellectual property,
14 if the initial exclusive use of such property is in or related to the
15 good life district program area, and (d) city costs related to
16 implementing, operating, and funding a good life district economic
17 development program;

18 (5) Good life district means any good life district established
19 pursuant to the Good Life Transformational Projects Act;

20 (6) Good life district applicant means the person who applied for
21 the applicable good life district, which was approved by the Department
22 of Economic Development pursuant to section 77-4405;

23 (7) Good life district economic development program or program means
24 a program established pursuant to the Good Life District Economic
25 Development Act to utilize funds derived from local sources of revenue
26 for the purpose of paying eligible costs, and for paying principal of and
27 interest on bonds issued pursuant to the act;

28 (8) Good life district program area means the area established
29 pursuant to section 5 of this act for a good life district economic
30 development program;

31 (9) Governing body means the city council, board of trustees, or

1 other legislative body charged with governing the city;

2 (10) Local sources of revenue means the sources of revenue
3 established for a good life district economic development program
4 pursuant to section 6 of this act, and any revenue generated from grants,
5 donations, or state and federal funds received by the city for such good
6 life district economic development program subject to any restrictions of
7 the grantor, donor, or state or federal law; and

8 (11) Qualifying business means any corporation, nonprofit
9 corporation, partnership, limited liability company, or sole
10 proprietorship which owns or leases property or operates its business
11 within a good life district program area, or plans to own or lease
12 property or operate its business within a good life district program
13 area. The good life district applicant shall be deemed a qualifying
14 business pursuant to this subdivision. Qualifying business shall also
15 include a political subdivision, a state agency, or any other
16 governmental entity which includes any portion of the good life district
17 program area within its territorial boundaries.

18 Sec. 4. (1) The authority of a city to establish a good life
19 district economic development program and to appropriate local sources of
20 revenue to such program is subject to approval by a vote of a majority of
21 the registered voters of the city voting upon the question.

22 (2) The question may be submitted to the voters at a special
23 election or such question may be voted on at an election held in
24 conjunction with the statewide primary or statewide general election. The
25 question may be submitted to the voters before or after any application
26 is submitted to establish a good life district pursuant to the Good Life
27 Transformational Projects Act.

28 (3) A city shall order submission of the question to the registered
29 voters by resolution. The resolution shall contain the entire wording of
30 the ballot question, which shall state the question as follows: "Shall
31 the [city or village] of [name of the city or village] be authorized to

1 establish a good life district economic development program for any area
2 within the [city or village] which is included in a good life district
3 established pursuant to the Good Life Transformational Projects Act, and
4 shall the [city or village] be authorized to appropriate the local
5 sources of revenue collected within such good life district program area,
6 which may include local option sales and use taxes and occupation taxes,
7 established pursuant to and as permitted by the Good Life District
8 Economic Development Act?"

9 (4) The city shall file a copy of the resolution calling the
10 election with the election commissioner or county clerk not later than
11 the eighth Friday prior to a special election or a municipal primary or
12 general election which is not held at the statewide primary or general
13 election, or not later than March 1 prior to a statewide primary election
14 or September 1 prior to a statewide general election. The election shall
15 be conducted in accordance with the Election Act.

16 (5) If a majority of those voting on the issue vote in favor of the
17 question, the governing body may establish and implement a good life
18 district economic development program upon the terms contained in the
19 Good Life District Economic Development Act. If a majority of those
20 voting on the issue vote against the question, the governing body shall
21 not establish or implement any good life district economic development
22 program. When the question of establishing a good life district economic
23 development program is defeated at an election, resubmission of the
24 question and an election on the question shall not be held until at least
25 five months have passed from and after the date of such election.

26 Sec. 5. (1) Upon approval by the voters, the governing body of the
27 city may establish a good life district economic development program for
28 any area within the city which is included in a good life district
29 established pursuant to the Good Life Transformational Projects Act, and
30 the city shall appropriate the local sources of revenue established in
31 the good life district program area and pledged for such program.

1 (2) A good life district economic development program shall be
2 established by ordinance, which shall include the following provisions:

3 (a) The boundaries of the good life district program area, which
4 shall be coterminous with the portion of the applicable good life
5 district as established pursuant to section 77-4405 which is located
6 within the city. Such boundaries of the program area may be expanded to
7 include any area annexed by the city which is also included within such
8 established good life district;

9 (b) A description of the local sources of revenue which shall be
10 established for the program pursuant to section 6 of this act, and a
11 pledge to appropriate such revenues to the program for the time period
12 during which such funds are collected;

13 (c) The time period within which the funds from local sources of
14 revenue are to be collected within the good life district program area,
15 and the time period during which the good life district economic
16 development program will be in existence;

17 (d) The manner in which a qualifying business will be required to
18 submit an application for assistance under the good life district
19 economic development program, including the type of information that will
20 be required from the business, the process that will be used to verify
21 the information, and the types of business information provided to the
22 city which will be kept confidential by the city, and the types of
23 agreements which will be permitted with qualifying businesses for
24 development of property within the good life district program area. No
25 additional business information shall be required from a qualifying
26 business that is the good life district applicant. The Department of
27 Economic Development shall provide a copy of the application, approval,
28 and all related documentation establishing the related good life district
29 to the city upon approval by the Department of Economic Development;

30 (e) Such restrictions on qualifying businesses, limitations on types
31 of eligible costs, and limitations on the amounts of eligible costs as

1 the city determines are in the best interests of the city and the good
2 life district economic development program. Such limitations and
3 restrictions shall include provisions intended to ensure (i) sufficient
4 infrastructure will be available to serve the program area and
5 expectations as to how such infrastructure will be constructed and
6 funded, (ii) sufficient capital investment in buildings and facilities to
7 generate enough local sources of revenue to sustain the program, and
8 (iii) substantially all of the eligible costs will be used for the
9 benefit of the program area; and

10 (f) A description of the administrative system that will be
11 established by the city to administer the good life district economic
12 development program, including a description of any personnel structure
13 and the duties and responsibilities of the personnel involved.

14 (3) All information provided with an application for assistance
15 under any good life district economic development program to the city by
16 a qualifying business shall be kept confidential by the city to the
17 extent required by the terms of the ordinance establishing the good life
18 district economic development program. The city may approve or deny any
19 application for assistance in the discretion of the city, subject to the
20 terms of any contract or agreement with a qualifying business related to
21 such program.

22 (4) Provided that the city enters into an exclusive contract with an
23 applicant approved by the Department of Economic Development for
24 development in an approved good life district, the city may enter into
25 contracts and agreements with qualifying businesses related to assistance
26 under the good life district economic development program, development of
27 property within the applicable good life district program area, use of
28 property within the good life district program area, and other agreements
29 related to the good life district economic development program or good
30 life district program area, which contracts and agreements may extend
31 over multiple years and include such undertakings and designation of

1 responsibilities as the city determines appropriate or convenient for
2 development, use, and operation of the good life district economic
3 development program and the properties in the good life district program
4 area.

5 (5) In connection with administration of a good life district
6 economic development program, a city may engage professionals,
7 consultants, and other third parties to assist and provide such services
8 to the city as determined appropriate by the city. All costs of
9 administration of the program which are charged to the program by the
10 city shall be paid from the associated good life district economic
11 development fund prior to payment of any other eligible costs or bonds
12 which may be payable from the fund.

13 (6) Each good life district economic development program shall
14 remain in effect until thirty years after the date the associated good
15 life district was established or until the program is terminated by the
16 city pursuant to subsection (7) of this section, whichever occurs first.
17 If more than one good life district is established within a city, a
18 separate good life district economic development program shall be
19 established for each such good life district.

20 (7) The governing body of a city may, at any time after the adoption
21 of the ordinance establishing the good life district economic development
22 program by a two-thirds vote of the members of the governing body, amend
23 or repeal the ordinance in its entirety, subject only to the provisions
24 of any outstanding bonds or existing contracts relating to such program
25 and the rights of any third parties arising from such bonds or contracts.

26 Sec. 6. (1) Upon establishing a good life district economic
27 development program, the city is authorized to establish any one or more
28 of the following local sources of revenue for the program within the
29 applicable good life district program area:

30 (a) A local option sales and use tax of up to two and three-quarters
31 percent upon the same transactions that are sourced under the provisions

1 of sections 77-2703.01 to 77-2703.04 within the good life district
2 program area on which the State of Nebraska is authorized to impose a tax
3 pursuant to the Nebraska Revenue Act of 1967, as amended from time to
4 time. The city is authorized to impose such sales and use tax by
5 ordinance of its governing body, and such sales and use tax shall be in
6 addition to any local option sales tax imposed by the city pursuant to
7 section 77-27,142. The administration of such sales and use tax shall be
8 by the Tax Commissioner in the same manner as provided in section
9 77-27,143. The Tax Commissioner shall collect the tax imposed pursuant to
10 this subdivision concurrently with collection of a state tax in the same
11 manner as the state tax is collected. The Tax Commissioner shall remit
12 monthly the proceeds of such tax to the city levying the tax. All
13 relevant provisions of the Nebraska Revenue Act of 1967, as amended from
14 time to time, and not inconsistent with the Good Life District Economic
15 Development Act, shall govern transactions, proceedings, and activities
16 pursuant to any local option sales and use tax imposed under this
17 subdivision;

18 (b) A general business occupation tax upon the businesses and users
19 of space within the good life district program area. The city is
20 authorized to impose such occupation tax by ordinance of its governing
21 body, and any occupation tax imposed pursuant to this subdivision shall
22 make a reasonable classification of businesses, users of space, or kinds
23 of transactions for purposes of imposing such tax. The collection of a
24 tax imposed pursuant to this subdivision shall be made and enforced in
25 such a manner as the governing body of the city shall determine in such
26 ordinance to produce the required revenue. The governing body may provide
27 that failure to pay the tax imposed pursuant to this subdivision shall
28 constitute a violation of the ordinance and subject the violator to a
29 fine or other punishment as provided by such ordinance; or

30 (c) Such portion of a city's local option sales and use tax
31 established pursuant to section 77-27,142 which has been designated by

1 the city for such purpose pursuant to an ordinance, which may only
2 include amounts collected on transactions occurring within the good life
3 district program area, and which may be further restricted by the city in
4 such ordinance.

5 (2) The local option sales and use tax imposed pursuant to
6 subdivision (1)(a) of this section shall be separate and apart from any
7 sales and use tax imposed by the city pursuant to the Local Option
8 Revenue Act and shall not be considered imposed by or pursuant to the
9 Local Option Revenue Act for any purpose under Nebraska law. The local
10 option sales and use tax imposed pursuant to subdivision (1)(a) of this
11 section shall not be subject to deduction for any refunds made pursuant
12 to section 77-4105, 77-4106, 77-5725, or 77-5726, and shall not be
13 affected by or included in the tax incentives available under the
14 Employment and Investment Growth Act, the Nebraska Advantage Act, the
15 ImagiNE Nebraska Act, the Nebraska Advantage Transformational Tourism and
16 Redevelopment Act, the Urban Redevelopment Act, or any other tax
17 incentive act which affects the local option sales tax imposed by a city
18 pursuant to the Local Option Revenue Act.

19 (3) All local sources of revenue which have been established for a
20 good life district shall remain in effect and shall not end or terminate
21 until the associated good life district economic development program
22 terminates.

23 Sec. 7. (1) Any city which has established a good life district
24 economic development program shall establish a separate good life
25 district economic development fund for such program, and may establish
26 subaccounts in such fund as determined appropriate. All funds derived
27 from local sources of revenue established for the program or received for
28 the program, and any earnings from the investment of such funds, shall be
29 deposited into such fund. Any proceeds from the issuance and sale of
30 bonds pursuant to the Good Life District Economic Development Act to
31 provide funds to carry out the good life district economic development

1 program, shall be deposited into the good life district economic
2 development fund, or with a bond trustee pursuant to any resolution,
3 trust indenture, or other security instrument entered into in connection
4 with the issuance of such bonds, or as otherwise provided in section 16
5 of this act. The city shall not transfer or remove funds from a good life
6 district economic development fund other than for the purposes prescribed
7 in the act, and the money in a good life district economic development
8 fund shall not be commingled with any other city funds.

9 (2) Distribution of any funds from a good life district economic
10 development fund, including from proceeds of bonds issued pursuant to the
11 Good Life District Economic Development Act, to a qualifying business
12 shall be made only upon receipt of evidence that such distribution is for
13 the payment or reimbursement of eligible costs. A city may establish
14 processes for any such approval in the ordinance establishing the
15 applicable program, with a bond trustee under a bond resolution or trust
16 indenture, or as may otherwise be determined appropriate by the city.

17 (3) Any money in a good life district economic development fund not
18 currently required or committed for purposes of such good life district
19 economic development program shall be invested as provided for in section
20 77-2341.

21 (4) In the event that a good life district economic development
22 program is terminated or ends, the balance of money in such good life
23 district economic development fund not otherwise pledged for payment of
24 bonds or otherwise committed by contract under the program shall be
25 deposited in the general fund of the city. Any funds received by the city
26 by reason of a good life district economic development program after the
27 termination of such program shall be transferred from such good life
28 district economic development fund to the general fund of the city as
29 such funds are received.

30 (5) A good life district economic development fund shall not be
31 terminated until such time as all bonds, contracts, and other obligations

1 payable from such fund are no longer outstanding or are extinguished as
2 provided in section 11 of this act, and all funds related to them fully
3 accounted for, with no further city action required, and after the
4 completion of a final audit pursuant to section 9 of this act.

5 Sec. 8. All local sources of revenue established for a good life
6 district economic development program, and received for such program,
7 shall be deposited in the applicable good life district economic
8 development fund of the city when received. Any funds in the good life
9 district economic development fund may be appropriated and spent for
10 eligible costs of the good life district economic development program in
11 any amount and at any time at the discretion and direction of the
12 governing body of the city.

13 Sec. 9. The city shall provide for an annual, outside, independent
14 audit of each good life district economic development program by a
15 qualified independent accounting firm, the cost of which may be charged
16 by the city to the applicable good life district economic development
17 fund. The independent auditor shall not, at the time of the audit or for
18 any period during the term subject to the audit, have any contractual or
19 business relationship with any qualifying business receiving funds or
20 assistance under the good life district economic development program. The
21 results of such audit shall be filed with the city clerk and made
22 available for public review during normal business hours.

23 Sec. 10. The Nebraska Budget Act shall not apply to any good life
24 district economic development program or local sources of revenue
25 dedicated to such program.

26 Sec. 11. (1) Any city which has established a good life district
27 economic development program may from time to time issue bonds as
28 provided in sections 11 to 19 of this act. Such bonds shall be in such
29 principal amounts as the city's governing body authorizes to provide
30 sufficient funds to carry out any of the purposes of and powers granted
31 pursuant to the Good Life District Economic Development Act, including

1 the payment of eligible costs and all other costs or expenses of the city
2 incident to and necessary or convenient to carry out the good life
3 district economic development program, and the principal of and interest
4 on such bonds shall be payable from the local sources of revenue which
5 are dedicated to the good life district economic development fund. Bonds
6 may also be issued pursuant to the Good Life District Economic
7 Development Act to provide funds to finance or refinance one or more
8 redevelopment projects approved pursuant to the Community Development
9 Law, and the taxes authorized or collected pursuant to sections
10 18-2142.02 and 18-2147 of the Community Development Law and which are
11 permitted or required to be pledged pursuant to the Community Development
12 Law for payment of bonds for a redevelopment project may be pledged by
13 the city pursuant to the Good Life District Economic Development Act for
14 payment of bonds issued hereunder to finance or refinance such
15 redevelopment projects. Bonds may be issued by the city for such
16 combination of eligible costs and redevelopment projects and other
17 purposes permitted under the Good Life District Economic Development Act
18 as determined appropriate by the city, and may be payable from such
19 combination of local sources of revenue and taxes authorized under the
20 act as determined appropriate by the city.

21 (2) The obligations of the city with respect to the good life
22 district economic development program, including any bonds issued or
23 contracts of the city entered into under the Good Life District Economic
24 Development Act, shall not be a general obligation of the city or a
25 pledge of its credit or taxing power, nor in any event shall such bonds
26 or contracts be payable out of any funds or properties of the city, other
27 than the local sources of revenue appropriated by the city and dedicated
28 to the program pursuant to the act and the other taxes pledged for
29 payment of bonds pursuant to the act. The bonds issued under the act
30 shall not constitute an indebtedness within the meaning of any
31 constitutional or statutory debt limitation or restriction.

1 (3) Notwithstanding anything to the contrary in the Good Life
2 District Economic Development Act, any bonds, contracts, or other
3 obligations which remain outstanding or unpaid upon termination of the
4 program pursuant to section 5 of this act shall be deemed canceled and
5 extinguished after all remaining amounts held in the applicable good life
6 district economic development fund have been depleted to pay such bonds,
7 contracts, or other obligations, and the city shall have no continued
8 liability, express or implied, with respect to such bonds, contracts, or
9 other obligations thereafter.

10 Sec. 12. The members of a city's governing body and any person
11 executing bonds issued under the Good Life District Economic Development
12 Act shall not be liable personally on such bonds by reason of the
13 issuance thereof.

14 Sec. 13. (1) Bonds issued or delivered under the Good Life District
15 Economic Development Act shall be authorized by resolution of the city's
16 governing body, may be issued and secured under a resolution, trust
17 indenture, or other security instrument in one or more series, and shall
18 bear such date or dates, mature at such time or times prior to the
19 expiration of the program, bear interest at such rate or rates, be in
20 such denomination or denominations, bear such title and designation, be
21 in such form, either coupon or registered, carry such conversion or
22 registration privileges, have such rank or priority, be executed in such
23 manner, be payable in such medium of payment and at such place or places,
24 and be subject to such terms of redemption, with or without premium, as
25 such resolution, trust indenture, or other security instrument may
26 provide and without limitation by any other law limiting amounts,
27 maturities, interest rates, or redemption provisions. Any officer
28 authorized or designated to sign, countersign, execute, or attest any
29 bond may utilize a facsimile signature in lieu of his or her manual
30 signature. The bonds may be sold at public or private sale as provided by
31 the city's governing body and at such price or prices as determined or

1 directed by such governing body.

2 (2) Bonds issued or delivered under the Good Life District Economic
3 Development Act may be issued for such combination of eligible costs and
4 redevelopment projects and other purposes, and may be payable from such
5 sources as permitted under the act, as may be provided in the resolution,
6 trust indenture, or other security instrument related to the bonds. The
7 city may make any allocation or designation with respect to the
8 application of proceeds of such bonds, and any allocation or designation
9 of local sources of revenue and other sources permitted under the act to
10 the repayment of such bonds, as determined in or pursuant to such
11 resolution, trust indenture, other security instrument, or other measure
12 of the governing body of the city. To the extent a portion of such bonds
13 are issued to finance or refinance a redevelopment project, any taxes
14 collected by the city pursuant to section 18-2147 which are pledged for
15 and applied to payment of such bonds shall be deemed to be allocated and
16 applied to repayment of such bonds prior to and to the exclusion of any
17 other local sources of revenue or other repayment sources permitted under
18 the Good Life District Economic Development Act.

19 Sec. 14. If any of the officers whose signatures appear on any
20 bonds issued under the Good Life District Economic Development Act cease
21 to be such officers before the delivery of such obligations, such
22 signatures shall nevertheless be valid and sufficient for all purposes to
23 the same extent as if such officers had remained in office until such
24 delivery.

25 Sec. 15. Any city may in connection with the issuance of its bonds,
26 entry into any contract, or delivery of other obligations under the Good
27 Life District Economic Development Act:

28 (1) Redeem the bonds, covenant for their redemption, and provide the
29 terms and conditions of redemption;

30 (2) Covenant that the good life district economic development
31 program and local sources of revenue established for such program shall

1 not terminate for purposes of the act until thirty years after the date
2 the associated good life district was established or until the bonds
3 issued for such program and other contractual obligations related to such
4 program are no longer outstanding, whichever occurs first;

5 (3) Covenant to impose or levy such local sources of revenue
6 determined by the city and pledge the local sources of revenue and other
7 taxes permitted to be pledged to pay the interest and principal payments,
8 whether at maturity or upon sinking-fund redemption, on any outstanding
9 bonds of the city payable from such pledged local sources of revenue and
10 other taxes, and creation and maintenance of any reasonable reserves
11 therefor and to provide for any margins or coverages over and above debt
12 service on the bonds deemed desirable for the marketability or security
13 of the bonds;

14 (4) Covenant as to the application of the local sources of revenue
15 within the good life district economic development fund, which shall
16 include reasonable provision for the cost of operating and maintaining
17 the associated program by the city, provided that the provisions of
18 section 13 of this act shall govern the application of any taxes received
19 pursuant to section 18-2147 for payment of bonds issued under the Good
20 Life District Economic Development Act;

21 (5) Covenant and prescribe as to events of default and as to the
22 consequences of default and the remedies of bondholders;

23 (6) Covenant as to the purposes to which the proceeds from the sale
24 of any bonds may be applied and the pledge of such proceeds to secure the
25 payment of the bonds;

26 (7) Covenant as to limitations on the issuance of any additional
27 bonds, the terms upon which additional bonds may be issued and secured,
28 and the refunding of outstanding bonds;

29 (8) Covenant as to the rank or priority of any bonds with respect to
30 any lien or security;

31 (9) Covenant as to the procedure by which the terms of any contract

1 with or for the benefit of the bondholders may be amended or abrogated,
2 the amount of bonds the holders of which must consent thereto, and the
3 manner in which such consent may be given;

4 (10) Covenant as to the custody and safekeeping of a good life
5 district economic development fund;

6 (11) Covenant as to the vesting in a trustee or trustees, within or
7 outside the state, of such properties, rights, powers, and duties in
8 trust as the city may determine;

9 (12) Covenant as to the appointing and providing for the duties and
10 obligations of a paying agent or paying agents or other fiduciaries
11 within or outside the state;

12 (13) Make all other covenants and do any and all other acts and
13 things as may be necessary, convenient, or desirable in order to secure
14 its bonds or, in the absolute discretion of the city, tend to make the
15 bonds more marketable, notwithstanding that such other covenants, acts,
16 or things may not be enumerated in this section; and

17 (14) Execute all instruments necessary or convenient in the exercise
18 of the powers granted pursuant to the Good Life District Economic
19 Development Act or in the performance of covenants or duties of the city
20 incurred under the act, which instruments may contain such covenants and
21 provisions as any purchaser of bonds or other obligations may reasonably
22 require or which may be determined necessary or appropriate.

23 Sec. 16. (1) Any city which has issued bonds pursuant to the Good
24 Life District Economic Development Act or the Community Development Law,
25 and such bonds remain unpaid and are outstanding, is hereby authorized to
26 issue refunding bonds with which to call and redeem all or any part of
27 such outstanding bonds at or before the maturity or the redemption date
28 of such bonds. Such city may include various series and issues of the
29 outstanding bonds in a single issue of refunding bonds and issue
30 refunding bonds to pay any redemption premium and interest to accrue and
31 become payable on the outstanding bonds being refunded. The refunding

1 bonds may be issued and delivered at any time prior to the date of
2 maturity or the redemption date of the bonds to be refunded that the
3 governing body of such city determines to be in its best interests. The
4 proceeds derived from the sale of the refunding bonds issued pursuant to
5 this section may be invested in obligations of or guaranteed by the
6 United States Government pending the time the proceeds are required for
7 the purposes for which such refunding bonds were issued. To further
8 secure the refunding bonds, any such city may enter into a contract with
9 any bank or trust company within or without the state with respect to the
10 safekeeping and application of the proceeds of the refunding bonds and
11 the safekeeping and application of the earnings on the investment. All
12 bonds issued under the provisions of this section shall be redeemable at
13 such times and under such conditions as the governing body of the city
14 shall determine at the time of issuance.

15 (2) Any outstanding bonds issued by any such city for which
16 sufficient funds or obligations of or guaranteed by the United States
17 Government have been pledged and set aside in safekeeping to be applied
18 for the complete payment of such bonds at maturity or upon redemption
19 prior to maturity, interest thereon, and redemption premium, if any,
20 shall not be considered as outstanding and unpaid pursuant to the Good
21 Life District Economic Development Act.

22 Sec. 17. The issue of refunding bonds, the manner of sale, the
23 maturities, interest rates, form, and other details thereof, the security
24 therefor, the rights of the holders thereof, and the rights, duties, and
25 obligations of the city in respect of the same shall be governed by the
26 provisions of the Good Life District Economic Development Act relating to
27 the issue of bonds other than refunding bonds insofar as the same may be
28 applicable. The city may issue bonds for refunding and nonrefunding
29 purposes as part of the same series of bonds.

30 Sec. 18. Bonds issued pursuant to the Good Life District Economic
31 Development Act shall be securities in which all public officers and

1 instrumentalities of the state and all political subdivisions, insurance
2 companies, trust companies, banks, savings and loan associations,
3 investment companies, executors, administrators, personal
4 representatives, trustees, and other fiduciaries may properly and legally
5 invest funds, including capital in their control or belonging to them.
6 Such bonds shall be securities which may properly and legally be
7 deposited with and received by any officer or instrumentality of this
8 state or any political subdivision for any purpose for which the deposit
9 of bonds of this state or any political subdivision thereof is now or may
10 hereafter be authorized by law.

11 Sec. 19. (1) Bonds may be issued, contracts may be entered into,
12 and other obligations may be incurred, under the Good Life District
13 Economic Development Act without obtaining the consent of any department,
14 division, commission, board, bureau, or instrumentality of this state and
15 without any other proceedings or the happening of any other conditions or
16 things than those proceedings, conditions, or things which are
17 specifically required by the act, and the validity of and security for
18 any bonds, contract, or other obligations shall not be affected by the
19 existence or nonexistence of any such consent or other proceedings,
20 conditions, or things.

21 (2) No proceedings for the issuance of bonds, entering into
22 contracts, or incurring of obligations of a city under the Good Life
23 District Economic Development Act shall be required other than those
24 required by the Good Life District Economic Development Act; and the
25 provisions of all other laws and city charters, if any, relative to the
26 terms and conditions for the issuance, incurrence, payment, redemption,
27 registration, sale, or delivery of bonds, or entering into contracts, of
28 public bodies, corporations, or political subdivisions of this state
29 shall not be applicable to bonds, contracts, or other obligations issued
30 or entered into pursuant to the Good Life District Economic Development
31 Act.

1 Sec. 20. In any suit, action, or proceeding involving the validity
2 or enforceability of any bonds, contract, or agreement of a city pursuant
3 to the Good Life District Economic Development Act, or the security
4 therefor, brought after the lapse of thirty days after the authorization
5 by the governing body of such city for the issuance of such bonds or
6 entry into such contract or agreement, any such bond, contract or
7 agreement, and the security therefor and provisions therein, reciting in
8 substance that it has been authorized by the city pursuant to the Good
9 Life District Economic Development Act or to provide financing for a good
10 life district economic development program shall be conclusively deemed
11 to have been authorized for such purpose and such bonds, contracts, or
12 agreement, and security therefor and provisions therein, issued or
13 delivered pursuant to such authorization shall be conclusively deemed to
14 have been issued, entered into, provided, and carried out in accordance
15 and compliance with the purposes and provisions of the Good Life District
16 Economic Development Act, and deemed to be valid and binding obligations
17 and agreements of the city for the duration of the term of such
18 obligations and agreements as provided therein. In any suit, action, or
19 proceedings involving the validity or enforceability of any bond of the
20 city issued under the Good Life District Economic Development Act in
21 whole or in part for a redevelopment project or the security therefor,
22 any such bond reciting in substance that it has been issued by the city
23 to aid, in whole or in part, in financing or refinancing a redevelopment
24 project, as herein permitted, shall be conclusively deemed to have been
25 issued for such purpose and such project shall be conclusively deemed to
26 have been planned, located, and carried out in accordance with the
27 purposes and provisions of the Community Development Law.

28 Sec. 21. All bonds of a city issued pursuant to the Good Life
29 District Economic Development Act are declared to be issued for an
30 essential public and governmental purpose and, together with interest
31 thereon and income therefrom, shall be exempt from all taxes.

1 Sec. 22. The State of Nebraska does hereby pledge to and agree with
2 the holders of any bonds issued pursuant to the Good Life District
3 Economic Development Act and with those persons who may enter into
4 contracts with any city pursuant to the act that the state will not
5 alter, impair, or limit the rights thereby vested until the bonds,
6 together with applicable interest, are fully met and discharged and such
7 contracts are fully performed in accordance with the act. Nothing
8 contained in the act shall preclude such alteration, impairment, or
9 limitation if and when adequate provisions are made by law for the
10 protection of the holders of the bonds or persons entering into contracts
11 with a city.

12 Sec. 23. The powers conferred by the Good Life District Economic
13 Development Act shall be in addition and supplemental to the powers
14 conferred by any other law and shall be independent of and in addition to
15 any other provisions of the law of Nebraska, including, without
16 limitation, the Local Option Revenue Act, the Community Development Law,
17 the Local Option Municipal Economic Development Act, and the Good Life
18 Transformational Projects Act. The Good Life District Economic
19 Development Act and all grants of power, authority, rights, or discretion
20 to a city under the act shall be liberally construed, and all incidental
21 powers necessary to carry the act into effect are hereby expressly
22 granted to and conferred upon a city.

23 Insofar as the provisions of the Good Life District Economic
24 Development Act are inconsistent with the provisions of any other law or
25 of any city charter, if any, the provisions of the Good Life District
26 Economic Development Act shall be controlling.

27 Sec. 24. Sections 24 to 31 of this act shall be known and may be
28 cited as the Financial Institution Data Match Act.

29 Sec. 25. For purposes of the Financial Institution Data Match Act:
30 (1) Account means a demand deposit account, checking or negotiable
31 withdrawal order account, savings account, time deposit account, or

1 money-market mutual fund account;

2 (2) Department means the Department of Revenue;

3 (3) Financial institution means every federal or state commercial or
4 savings bank, including savings and loan associations and cooperative
5 banks, federal or state chartered credit unions, benefit associations,
6 insurance companies, safe deposit companies, any money-market mutual fund
7 that meets the requirements of section 851(a) of the Internal Revenue
8 Code and 17 C.F.R. 270.2a-7, any broker, brokerage firm, trust company,
9 or unit investment trust, or any other similar entity doing business or
10 authorized to do business in the State of Nebraska;

11 (4) Match means a comparison by name and social security number or
12 federal employer identification number of a list of tax debtors provided
13 to a financial institution by the department and a list of depositors of
14 any financial institution. Such comparison may be carried out by
15 automated or other means; and

16 (5) Tax debtor means a person liable to pay any delinquent (a) tax,
17 (b) fee, or (c) other type of repayment under any program administered by
18 the Tax Commissioner.

19 Sec. 26. (1) The department shall operate a data match system with
20 each financial institution doing business in the State of Nebraska.

21 (2) Under the data match system, a financial institution shall
22 receive from the department a listing of tax debtors to be used in
23 matches within the financial institution's system. The listing from the
24 department shall include the name and social security number or federal
25 employer identification number of each tax debtor. The financial
26 institution shall receive the listing within thirty days after the end of
27 each calendar quarter subsequent to the operative date of this section.
28 Within thirty days after receiving the listing, the financial institution
29 shall match the listing to its records of accounts held in one or more
30 persons' names which are open accounts or accounts that were closed
31 within the preceding calendar quarter. The financial institution shall

1 provide the department with a match listing of all matches made within
2 five working days of the match. The match listing from the financial
3 institution shall include the name, address, and social security number
4 or federal employer identification number of each tax debtor matched and
5 the balance of each account. The financial institution shall also provide
6 the names and addresses of all other owners of accounts in the match
7 listing as reflected on a signature card or other similar document on
8 file with the financial institution. The financial institution shall
9 submit all match listings by an electronic medium approved by the
10 department.

11 (3) Nothing in this section shall (a) require a financial
12 institution to disclose the account number assigned to the account of any
13 person or (b) serve to encumber the ownership interest of any person in
14 or impact any right of setoff against an account.

15 (4) To maintain the confidentiality of the listing and match
16 listing, the department shall implement appropriate security provisions
17 for the listing and match listing which are as stringent as those
18 established under the federal Tax Information Security Guidelines for
19 Federal, State and Local Agencies.

20 Sec. 27. The department may enter into agreements with financial
21 institutions doing business in this state to operate the data match
22 system described in section 26 of this act. A financial institution may
23 charge a reasonable fee, not to exceed actual cost, to be paid by the
24 department for the service of reporting matches as required by section 26
25 of this act.

26 Sec. 28. (1) The department may contract with one or more vendors
27 to develop the data match system and perform the matches required under
28 section 26 of this act. Vendors entering into a contract with the
29 department pursuant to this section are subject to the requirements and
30 penalties of the confidentiality laws of this state regarding tax
31 information, including, but not limited to, the provisions and penalties

1 in sections 77-2711 and 77-27,119.

2 (2)(a) Within fifteen days after the end of fiscal year 2024-25 and
3 each fiscal year thereafter, the Tax Commissioner shall determine and
4 certify to the State Treasurer the following amounts:

5 (i) The total amount of any fees for services or reimbursements paid
6 by the department or other costs incurred by the department during the
7 previous fiscal year due to the contracts entered into pursuant to this
8 section; and

9 (ii) The total amount of taxes, penalties, and interest collected
10 during the previous fiscal year as a result of contracts entered into
11 pursuant to this section.

12 (b) After receiving such certification, the State Treasurer shall
13 transfer the amount certified under subdivision (2)(a)(i) of this section
14 or two percent of the amount certified under subdivision (2)(a)(ii) of
15 this section, whichever amount is less, from the General Fund to the
16 Department of Revenue Enforcement Fund.

17 (3) The Tax Commissioner shall submit electronically an annual
18 report to the Revenue Committee of the Legislature and the Appropriations
19 Committee of the Legislature on the amount of taxes, penalties, and
20 interest collected during the most recently completed fiscal year as a
21 result of contracts entered into pursuant to this section.

22 Sec. 29. A financial institution receiving information from the
23 department under section 26 of this act and the employees, agents,
24 officers, and directors of the financial institution shall maintain the
25 confidentiality of the information supplied by the department and use
26 such information only for the purposes described in section 26 of this
27 act and shall be subject to the requirements and penalties of the
28 confidentiality laws of this state regarding tax information, including,
29 but not limited to, the provisions and penalties in sections 77-2711 and
30 77-27,119.

31 Sec. 30. (1) A financial institution is not liable under any state

1 or local law to any individual or to the department for disclosure or
2 release of information to the department for the purpose of complying
3 with the requirements of section 26 of this act.

4 (2) The Financial Institution Data Match Act shall not be construed
5 to make a financial institution responsible or liable to any extent for
6 assuring that the department maintains the confidentiality of information
7 disclosed under section 26 of this act.

8 (3) A financial institution is not liable to any extent for failing
9 to disclose to a depositor or account holder that the name, address, and
10 social security number or federal employer identification number of a tax
11 debtor was included in the match listing provided to the department
12 pursuant to section 26 of this act.

13 (4) A financial institution may disclose to its depositors or
14 account holders that the department has the authority to request and
15 obtain certain identifying information on certain depositors or account
16 holders pursuant to the Financial Institution Data Match Act for state
17 tax collection purposes.

18 Sec. 31. The department may adopt and promulgate rules and
19 regulations to carry out the Financial Institution Data Match Act.

20 Sec. 32. (1) For purposes of this section:

21 (a) Community development corporation means a private, nonprofit
22 corporation whose board of directors is comprised of business, civic, and
23 community leaders, and whose principal purpose includes the provision of
24 low-income housing or community economic development projects that
25 primarily benefit low-income individuals and communities;

26 (b) Community development organization means a private, nonprofit
27 organization that works to improve the social, economic, and
28 environmental well-being of a specific geographic area or community.
29 Community development organizations focus on grassroots efforts and
30 community engagement to address local needs and promote sustainable
31 development. Community development organizations may engage in a wide

1 range of activities, including, but not limited to, affordable housing,
2 economic development, education and training, community engagement,
3 health and social services, environmental sustainability, civic
4 engagement, infrastructure development, and cultural and recreational
5 activities;

6 (c) Covered nonprofit organization means any community development
7 corporation, community development organization, or economic development
8 corporation. The term does not include any political subdivision of the
9 state;

10 (d) Department means the Department of Economic Development;

11 (e) Director means the Director of Economic Development;

12 (f) Economic development corporation means a private, nonprofit
13 corporation whose primary goal is the promotion of economic growth, job
14 creation, and overall economic prosperity within a specific geographic
15 area. Economic development corporations may engage in a wide range of
16 activities, including, but not limited to, promoting business growth,
17 supporting entrepreneurship, attracting investment, workforce
18 development, infrastructure development, industry cluster development,
19 and industry collaboration and advocacy;

20 (g) High-poverty area means an area consisting of one or more
21 contiguous census tracts, as determined by the most recent federal
22 decennial census, which contain a percentage of persons with incomes
23 below the poverty line of greater than thirty percent, and all census
24 tracts contiguous to such tract or tracts, as determined by the most
25 recent federal decennial census;

26 (h) Market value means the fair market value of real property as
27 determined by an independent appraisal; and

28 (i) Underutilized tax-exempt property means any real property in
29 this state that (i) is exempt from property taxes and (ii) is completely
30 undeveloped or contains deteriorating structures.

31 (2)(a) A covered nonprofit organization that owns or acquires

1 underutilized tax-exempt property located within a high-poverty area
2 shall develop such property within three years after the operative date
3 of this section or the date of acquiring such property, whichever is
4 later. Such development must:

5 (i) Increase the market value of the property by at least twenty-
6 five percent; and

7 (ii) Result in the creation of new jobs or the starting of a new
8 business on such property.

9 (b) The covered nonprofit organization shall electronically submit a
10 development plan for the underutilized tax-exempt property to the
11 department, the Clerk of the Legislature, and the chairperson of the
12 Urban Affairs Committee of the Legislature within ninety days after the
13 operative date of this section or the date of acquiring the property,
14 whichever is later. The development plan shall include a description of
15 the proposed development and an estimated timeline for such development.

16 (c)(i) If a covered nonprofit organization fails to develop the
17 property within the three-year period described in subdivision (a) of
18 this subsection, the director shall, following notice and opportunity for
19 hearing in accordance with the Administrative Procedure Act, impose a
20 fine equal to the amount of property taxes that would be owed for such
21 property if the property had not been tax-exempt or ten thousand dollars,
22 whichever is greater.

23 (ii) If the failure to develop the property persists for twelve
24 months after the end of the three-year period described in subdivision
25 (a) of this subsection, the director shall, following notice and
26 opportunity for hearing in accordance with the Administrative Procedure
27 Act, impose a fine equal to the amount of property taxes that would be
28 owed for such property if the property had not been tax-exempt or twenty
29 thousand dollars, whichever is greater.

30 (iii) If the failure to develop the property persists for twenty-
31 four months after the end of the three-year period described in

1 subdivision (a) of this subsection, the director shall, following notice
2 and opportunity for hearing in accordance with the Administrative
3 Procedure Act, make a written recommendation to the county board of
4 equalization in the county where the property is located that the
5 property tax exemption be revoked for the underutilized tax-exempt
6 property.

7 (d) If any covered nonprofit organization transfers ownership of
8 underutilized tax-exempt property located within a high-poverty area to
9 another covered nonprofit organization, the time periods prescribed in
10 this subsection shall not be restarted. Such periods shall be determined
11 as if no transfer occurred.

12 (3)(a) A covered nonprofit organization that owns or acquires
13 underutilized tax-exempt property located within a high-poverty area
14 shall not attempt to sell such property at a price that is more than
15 fifty percent above the market value for such property.

16 (b) If a covered nonprofit organization violates subdivision (a) of
17 this subsection, the director shall, following notice and opportunity for
18 hearing in accordance with the Administrative Procedure Act, revoke the
19 property tax exemption for the underutilized tax-exempt property.

20 (4) All money collected as a fine under this section shall be
21 remitted to the State Treasurer for distribution in accordance with
22 Article VII, section 5, of the Constitution of Nebraska.

23 (5) The department may adopt and promulgate rules and regulations to
24 carry out this section.

25 Sec. 33. Sections 33 to 45 of this act shall be known and may be
26 cited as the Gambling Winnings Setoff for Outstanding Debt Act.

27 Sec. 34. The purposes of the Gambling Winnings Setoff for
28 Outstanding Debt Act are to:

29 (1) Establish and maintain a procedure to set off against an
30 obligor's casino winnings, parimutuel winnings, sports wagering winnings,
31 or cash device winnings any debt (a) that is assigned to the Department

1 of Health and Human Services or that any individual not eligible as a
2 public assistance recipient is attempting to collect through the Title
3 IV-D child support enforcement program, (b) that has accrued through
4 written contract, subrogation, or court judgment, and (c) that is in the
5 form of a liquidated amount due and owing for the care, support, or
6 maintenance of a child or for medical or spousal support; and

7 (2) Establish and maintain a procedure to set off against a
8 taxpayer's casino winnings, parimutuel winnings, sports wagering
9 winnings, or cash device winnings the amount of such taxpayer's
10 outstanding state tax liability as determined by the Department of
11 Revenue.

12 Sec. 35. For purposes of the Gambling Winnings Setoff for
13 Outstanding Debt Act, unless the context otherwise requires:

14 (1) Applicable winnings means any casino winnings, parimutuel
15 winnings, sports wagering winnings, or cash device winnings;

16 (2) Cash device winnings means any cash prize won by a player of a
17 cash device as defined in section 77-3001 that requires the operator,
18 distributor, or manufacturer of such cash device to provide the player
19 with an Internal Revenue Service Form 1099;

20 (3) Casino winnings means any winnings that are required to be
21 reported on Internal Revenue Service Form W-2G won by a player from a
22 game of chance at a licensed racetrack enclosure under the jurisdiction
23 of the State Racing and Gaming Commission;

24 (4) Claimant means:

25 (a) The Department of Health and Human Services with respect to
26 collection of a debt owed by a parent in a case involving a recipient of
27 aid to dependent children in which rights to child, spousal, or medical
28 support payments have been assigned to this state;

29 (b) An individual who is not eligible as a public assistance
30 recipient and to whom a debt is owed that the individual is attempting to
31 collect through the Title IV-D child support enforcement program; or

1 (c) Any person or entity entitled to receive child support, spousal
2 support, or medical support as defined in section 43-1712.01 pursuant to
3 an order issued by a court or agency of another state or jurisdiction,
4 including an agency of another state or jurisdiction to which a person
5 has assigned his or her right to receive such support. Such a claimant
6 shall submit certification and documentation to the Department of Health
7 and Human Services sufficient to satisfy the requirements of section
8 43-1730;

9 (5) Collection system means the collection system developed and
10 implemented pursuant to section 36 of this act;

11 (6) Debt means any liquidated amount of arrears that has accrued
12 through assignment, contract, subrogation, court judgment, or operation
13 of law, regardless of whether there is an outstanding judgment for such
14 amount, and that is for the care, support, or maintenance of a child or
15 for medical or spousal support;

16 (7) Net winnings payment means the winnings payment amount minus the
17 debt and outstanding state tax liability balance;

18 (8) Obligor means any individual (a) owing money to or having a
19 delinquent account with any claimant that has not been satisfied by court
20 order, set aside by court order, or discharged in bankruptcy or (b) owing
21 money on an outstanding state tax liability;

22 (9) Operator means an authorized gaming operator as defined in
23 section 9-1103, any corporation or association licensed under sections
24 2-1201 to 2-1218 and authorized to conduct parimutuel wagering at a
25 licensed racetrack, and any operator, distributor, or manufacturer of a
26 cash device licensed under the Mechanical Amusement Device Tax Act;

27 (10) Outstanding state tax liability means any liability arising
28 from any tax or fee, including penalties and interest, under any tax
29 program administered by the Tax Commissioner, Department of Labor, or
30 Department of Motor Vehicles;

31 (11) Parimutuel winnings means any winnings that are required to be

1 reported on Internal Revenue Service Form W-2G and have tax withheld by
2 the operator and that are won by a player from a parimutuel wager at a
3 licensed racetrack under the jurisdiction of the State Racing and Gaming
4 Commission;

5 (12) Sports wagering winnings means any winnings that are required
6 to be reported on Internal Revenue Service Form W-2G and have tax
7 withheld by the operator and that are won by a player from sports
8 wagering as defined in section 9-1103 on a sports wager authorized by the
9 State Racing and Gaming Commission;

10 (13) Spousal support has the same meaning as in section 43-1715; and

11 (14) Winnings payment means a payout of casino winnings, parimutuel
12 winnings, sports wagering winnings, or cash device winnings to which an
13 individual is entitled as a result of playing or wagering.

14 Sec. 36. (1)(a) The Department of Revenue, in consultation with the
15 Department of Health and Human Services, shall develop and implement a
16 secure, electronic collection system to carry out the purposes of the
17 Gambling Winnings Setoff for Outstanding Debt Act.

18 (b) The collection system shall include access to the name of an
19 obligor, the social security number of an obligor, and any other
20 information that assists the operator in identifying an obligor. The
21 collection system shall inform the operator of the total amount owed
22 without detailing the source of any of the amounts owed.

23 (2) The Department of Health and Human Services may submit any
24 certified debt of twenty-five dollars or more to the collection system
25 except when the validity of the debt is legitimately in dispute. The
26 submission of debts of past-due support shall be a continuous process
27 that allows the amount of debt to fluctuate up or down depending on the
28 actual amount owed.

29 (3) The Department of Revenue may submit to the collection system
30 any amount of outstanding state tax liability owed by a taxpayer except
31 when the validity of the outstanding state tax liability is legitimately

1 in dispute. The inclusion of outstanding state tax liability in the
2 amount owed shall be a continuous process that allows the amount owed to
3 fluctuate up or down depending on the actual amount of outstanding state
4 tax liability owed.

5 (4) If the name of the obligor is retrieved from the collection
6 system by the operator, the retrieval of such name shall be evidence of a
7 valid lien upon and claim of lien against any applicable winnings of the
8 obligor whose name is electronically retrieved from the collection
9 system. If an obligor's applicable winnings are required to be set off
10 pursuant to the Gambling Winnings Setoff for Outstanding Debt Act, the
11 full amount of the debt and outstanding state tax liability shall be
12 collected from any applicable winnings due the obligor.

13 (5) The information obtained by an operator from the collection
14 system in accordance with this section shall retain its confidentiality
15 and shall only be used by the operator for the purposes of complying with
16 the Gambling Winnings Setoff for Outstanding Debt Act. An employee or
17 prior employee of an operator who unlawfully discloses any such
18 information for any other purpose, except as otherwise specifically
19 authorized by law, shall be subject to the same penalties specified by
20 law for unauthorized disclosure of confidential information by an agent
21 or employee of the operator.

22 (6) The information obtained by the Department of Health and Human
23 Services or the Department of Revenue from the operator in accordance
24 with this section shall retain its confidentiality and shall only be used
25 by either department in the pursuit of such department's debt or
26 outstanding state tax liability collection duties and practices. An
27 employee or prior employee of the Department of Health and Human Services
28 or the Department of Revenue who unlawfully discloses any such
29 information for any other purpose, except as specifically authorized by
30 law, shall be subject to the penalties specified by law for unauthorized
31 disclosure of confidential information by an agent or employee of either

1 such department.

2 (7) The amount of debt and outstanding state tax liability owed
3 shall be prima facie evidence of the validity of the liability.

4 Sec. 37. (1) Beginning on the applicable implementation date
5 designated by the Tax Commissioner pursuant to subsection (1) or (2) of
6 section 44 of this act, prior to making a winnings payment, an operator
7 shall check the collection system to determine if there is a debt or an
8 outstanding state tax liability owed by the winner. An operator shall
9 have access to the collection system to look up winners that are due
10 winnings payments for purposes of complying with the Gambling Winnings
11 Setoff for Outstanding Debt Act. An operator shall not access the system
12 for any other purpose.

13 (2)(a) An operator at a licensed racetrack enclosure or licensed
14 racetrack that fails to check the collection system for a debt or an
15 outstanding state tax liability or fails to collect the amounts owed
16 shall be subject to a fine by the State Racing and Gaming Commission of
17 not more than twenty-five thousand dollars.

18 (b) The State Racing and Gaming Commission shall establish a
19 schedule for fines pursuant to this section that considers both the
20 proportionality of the offense and the number of instances of past
21 offenses.

22 (3) An operator licensed by the Department of Revenue that fails to
23 check the collection system for a debt or an outstanding state tax
24 liability or collect the amounts owed may be considered in violation of
25 such license and subject to any penalties authorized for a violation of
26 the license under the Mechanical Amusement Device Tax Act.

27 Sec. 38. (1) Beginning on the applicable implementation date
28 designated by the Tax Commissioner pursuant to subsection (1) or (2) of
29 section 44 of this act, prior to making a winnings payment and after the
30 operator has checked the collection system as provided in section 37 of
31 this act, the operator shall deduct the amount of debt and outstanding

1 state tax liability identified in the collection system from the winnings
2 payment and shall remit the net winnings payment, if any, to the winner
3 and the amount deducted to the Department of Revenue in a manner
4 prescribed by the department.

5 (2) If an operator determines that an obligor identified using the
6 collection system is entitled to a winnings payment, the operator shall
7 notify the Department of Revenue in a manner prescribed by the department
8 that a balance of debt or outstanding state tax liability owed by the
9 winner is being remitted to the department.

10 (3) The Department of Revenue shall first credit any such winnings
11 payment against any debt of such winner certified by the Department of
12 Health and Human Services until such debt is satisfied and then against
13 any outstanding state tax liability owed by such winner until such
14 liability is satisfied on a pro rata basis.

15 Sec. 39. (1) Within twenty days after a remittance pursuant to
16 section 38 of this act due to an outstanding state tax liability, the
17 Department of Revenue shall notify the winner of the remittance. The
18 notice shall state (a) the basis for the claim to the outstanding state
19 tax liability by the Department of Revenue, (b) the application of the
20 winnings payment against the outstanding state tax liability of the
21 obligor, (c) the obligor's opportunity to give written notice of intent
22 to contest the validity of the claim before the Department of Revenue
23 within thirty days after the date of the mailing of the notice, (d) the
24 mailing address to which the request must be sent, and (e) that a failure
25 to contest the claim in writing within the thirty-day period will be
26 deemed a waiver of the opportunity to contest the claim resulting in a
27 setoff by default.

28 (2)(a) Within twenty days after notification from the Department of
29 Revenue of a remittance pursuant to section 38 of this act due to owing a
30 debt certified by the Department of Health and Human Services, the
31 Department of Health and Human Services shall send written notification

1 to the obligor of an assertion of its rights, or of the rights of an
2 individual not eligible as a public assistance recipient, to all or a
3 portion of the obligor's winnings payment.

4 (b) The written notification shall clearly set forth (i) the basis
5 for the claim to the winnings payment, (ii) the intention to apply the
6 winnings payment against the debt owed to a claimant, (iii) the obligor's
7 opportunity to give written notice of intent to contest the validity of
8 the claim before the Department of Health and Human Services within
9 thirty days after the date of the mailing of the notice, (iv) the mailing
10 address to which the request for a hearing must be sent, and (v) that
11 failure to apply for a hearing in writing within the thirty-day period
12 will be deemed a waiver of the opportunity to contest the claim resulting
13 in a setoff by default.

14 Sec. 40. (1)(a) A written request by a winner pursuant to
15 subsection (1) of section 39 of this act shall be effective upon mailing
16 the request, postage prepaid and properly addressed, to the Department of
17 Revenue.

18 (b) Any appeal or action taken as a result of a decision pursuant to
19 subdivision (1)(a) of this section shall be in accordance with the
20 Administrative Procedure Act.

21 (2)(a) A written request for a hearing by a winner pursuant to
22 subsection (2) of section 39 of this act shall be effective upon mailing
23 the request, postage prepaid and properly addressed, to the Department of
24 Health and Human Services.

25 (b) If the Department of Health and Human Services receives a
26 written request for a hearing contesting a claim, the department shall
27 grant a hearing to the obligor to determine whether the claim is valid.
28 If the amount asserted as due and owing is not correct, an adjustment to
29 the claimed amount shall be made. No issues shall be reconsidered at the
30 hearing which have been previously litigated.

31 (c) Any appeal of an action taken at or as a result of a hearing

1 held pursuant to subdivision (2)(b) of this section shall be in
2 accordance with the Administrative Procedure Act.

3 Sec. 41. The collection remedy authorized by the Gambling Winnings
4 Setoff for Outstanding Debt Act is in addition to and not in substitution
5 for any other remedy available by law.

6 Sec. 42. An operator, acting in good faith, shall not be liable to
7 any person for actions taken pursuant to the Gambling Winnings Setoff for
8 Outstanding Debt Act. Neither the State Racing and Gaming Commission nor
9 the Department of Revenue shall initiate any administrative action or
10 impose penalties on an operator who voluntarily reports to the commission
11 activity described in section 43 of this act.

12 Sec. 43. Any person who knowingly or intentionally attempts to
13 avoid the application of a setoff under the Gambling Winnings Setoff for
14 Outstanding Debt Act by passing any applicable winnings to another person
15 to present for a cash payout or by providing fraudulent identification
16 during a cash payout is guilty of a Class I misdemeanor.

17 Sec. 44. (1) The Tax Commissioner shall designate an implementation
18 date for the required use by operators of the collection system developed
19 pursuant to section 36 of this act prior to making a winnings payment for
20 casino winnings, parimutuel winnings, or sports wagering winnings, which
21 date shall be on or after January 1, 2025, but on or before January 1,
22 2026. The Tax Commissioner shall provide at least ninety days' notice of
23 the implementation date on the Department of Revenue's website before
24 such implementation date goes into effect.

25 (2) The Tax Commissioner shall designate an implementation date for
26 the required use by operators of the collection system developed pursuant
27 to section 36 of this act prior to making a winnings payment for cash
28 device winnings, which date shall be on or after January 1, 2025, and
29 after the establishment of the control server by the Department of
30 Revenue to receive data and accurate revenue and income reporting from
31 cash devices pursuant to the Mechanical Amusement Device Tax Act, but on

1 or before January 1, 2027. The Tax Commissioner shall provide at least
2 ninety days' notice of the implementation date on the Department of
3 Revenue's website before such implementation date goes into effect.

4 Sec. 45. The Department of Health and Human Services, the
5 Department of Revenue, and the State Racing and Gaming Commission may
6 adopt and promulgate rules and regulations to carry out the Gambling
7 Winnings Setoff for Outstanding Debt Act.

8 Sec. 46. Section 2-1207, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 2-1207 (1) Within the enclosure of any racetrack where a race or
11 race meeting licensed and conducted under sections 2-1201 to 2-1218 is
12 held or at a racetrack licensed to simulcast races or conduct interstate
13 simulcasting, the parimutuel method or system of wagering on the results
14 of the respective races may be used and conducted by the licensee. Under
15 such system, the licensee may receive wagers of money from any person
16 present at such race or racetrack receiving the simulcast race or
17 conducting interstate simulcasting on any horse in a race selected by
18 such person to run first in such race, and the person so wagering shall
19 acquire an interest in the total money so wagered on all horses in such
20 race as first winners in proportion to the amount of money wagered by him
21 or her. Such licensee shall issue to each person so wagering a
22 certificate on which shall be shown the number of the race, the amount
23 wagered, and the number or name of the horse selected by such person as
24 first winner. As each race is run, at the option of the licensee, the
25 licensee may deduct from the total sum wagered on all horses as first
26 winners not less than fifteen percent or more than eighteen percent from
27 such total sum, plus the odd cents of the redistribution over the next
28 lower multiple of ten. At the option of the licensee, the licensee may
29 deduct up to and including twenty-five percent from the total sum wagered
30 by exotic wagers as defined in section 2-1208.03. The commission may
31 authorize other levels of deduction on wagers conducted by means of

1 interstate simulcasting. The licensee shall notify the commission in
2 writing of the percentages the licensee intends to deduct during the live
3 race meet conducted by the licensee and shall notify the commission at
4 least one week in advance of any changes to such percentages the licensee
5 intends to make. The licensee shall also deduct from the total sum
6 wagered by exotic wagers, if any, the tax plus the odd cents of the
7 redistribution over the next multiple of ten as provided in subsection
8 (1) of section 2-1208.04. The balance remaining on hand shall be paid out
9 to the holders of certificates on the winning horse in the proportion
10 that the amount wagered by each certificate holder bears to the total
11 amount wagered on all horses in such race to run first. The licensee may
12 likewise receive such wagers on horses selected to run second, third, or
13 both, or in such combinations as the commission may authorize, the
14 method, procedure, and authority and right of the licensee, as well as
15 the deduction allowed to the licensee, to be as specified with respect to
16 wagers upon horses selected to run first.

17 (2) At all race meets held pursuant to this section, the licensee
18 shall deduct from the total sum wagered one-third of the amount over
19 fifteen percent deducted pursuant to subsection (1) of this section on
20 wagers on horses selected to run first, second, or third and one percent
21 of all exotic wagers to be used to promote agriculture and horse breeding
22 in Nebraska and for the support and preservation of horseracing pursuant
23 to section 2-1207.01.

24 (3) No person under twenty-one years of age shall be permitted to
25 make any parimutuel wager, and there shall be no wagering on horseracing
26 except under the parimutuel method outlined in this section. Any person,
27 association, or corporation who knowingly aids or abets a person under
28 twenty-one years of age in making a parimutuel wager shall be guilty of a
29 Class I misdemeanor.

30 (4) Beginning on the implementation date designated by the Tax
31 Commissioner pursuant to subsection (1) of section 44 of this act, prior

1 to the winnings payment of any parimutuel winnings as defined in section
2 35 of this act, an authorized gaming operator or licensee licensed to
3 conduct parimutuel wagering shall check the collection system to
4 determine if the winner has a debt or an outstanding state tax liability
5 as required by the Gambling Winnings Setoff for Outstanding Debt Act. If
6 such authorized gaming operator or licensee determines that the winner is
7 subject to the collection system, the operator shall deduct the amount of
8 debt and outstanding state tax liability identified in the collection
9 system from the winnings payment and shall remit the net winnings payment
10 of parimutuel winnings, if any, to the winner and the amount deducted to
11 the Department of Revenue to be credited against such debt or outstanding
12 state tax liability as provided in section 38 of this act.

13 Sec. 47. Section 9-810, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 9-810 (1) A person under nineteen years of age shall not purchase a
16 lottery ticket. No lottery ticket shall be sold to any person under
17 nineteen years of age. No person shall purchase a lottery ticket for a
18 person under nineteen years of age, and no person shall purchase a
19 lottery ticket for the benefit of a person under nineteen years of age.

20 (2) No lottery ticket shall be sold and no prize shall be awarded to
21 the Tax Commissioner, the director, or any employee of the division or
22 any spouse, child, brother, sister, or parent residing as a member of the
23 same household in the principal place of abode of the Tax Commissioner,
24 the director, or any employee of the division.

25 (3) With respect to a lottery game retailer under contract to sell
26 lottery tickets whose rental payment for premises is contractually
27 computed in whole or in part on the basis of a percentage of retail sales
28 and when the computation of retail sales is not explicitly defined to
29 include the sale of lottery tickets, the amount of retail sales for
30 lottery tickets by the retailer for purposes of such a computation may
31 not exceed the amount of compensation received by the retailer from the

1 division.

2 (4) Once any prize is awarded in conformance with the State Lottery
3 Act and any rules and regulations adopted under the act, the state shall
4 have no further liability with respect to that prize.

5 (5) Prior to the payment of any lottery prize in excess of five
6 hundred dollars for a winning lottery ticket presented for redemption to
7 the division, the division shall check the name and social security
8 number of the winner with a list provided by the Department of Revenue of
9 people identified as having an outstanding state tax liability and a list
10 of people certified by the Department of Health and Human Services as
11 owing a debt as defined in section 77-27,161. The division shall credit
12 any such lottery prize against any outstanding state tax liability owed
13 by such winner and the balance of such prize amount, if any, shall be
14 paid to the winner by the division. The division shall credit any such
15 lottery prize against any certified debt in the manner set forth in
16 sections 77-27,160 to 77-27,173. If the winner has both an outstanding
17 state tax liability and a certified debt, the division shall first credit
18 any such lottery prize against any certified debt in the manner set forth
19 in sections 77-27,160 to 77-27,173 until such debt is satisfied and then
20 against any outstanding state tax liability until such liability is
21 satisfied ~~add the liability and the debt together and pay the appropriate~~
22 ~~agency or person a share of the prize in the proportion that the~~
23 ~~liability or debt owed to the agency or person is to the total liability~~
24 ~~and debt.~~

25 Sec. 48. Section 9-1104, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 9-1104 (1) The operation of games of chance at a licensed racetrack
28 enclosure may be conducted by an authorized gaming operator who holds an
29 authorized gaming operator license.

30 (2) No more than one authorized gaming operator license shall be
31 granted for each licensed racetrack enclosure within the state. It shall

1 not be a requirement that the person or entity applying for or to be
2 granted such authorized gaming operator license hold a racing license or
3 be the same person or entity who operates the licensed racetrack
4 enclosure at which such authorized gaming operator license shall be
5 granted.

6 (3) Gaming devices, limited gaming devices, and all other games of
7 chance may be operated by authorized gaming operators at a licensed
8 racetrack enclosure.

9 (4) No person younger than twenty-one years of age shall play or
10 participate in any way in any game of chance or use any gaming device or
11 limited gaming device at a licensed racetrack enclosure.

12 (5) No authorized gaming operator shall permit an individual younger
13 than twenty-one years of age to play or participate in any game of chance
14 or use any gaming device or limited gaming device conducted or operated
15 pursuant to the Nebraska Racetrack Gaming Act.

16 (6) If the licensed racetrack enclosure at which such authorized
17 gaming operator conducts games of chance does not hold the minimum number
18 of live racing meets required under section 2-1205, the authorized gaming
19 operator shall be required to cease operating games of chance at such
20 licensed racetrack enclosure until such time as the commission determines
21 the deficiency has been corrected.

22 (7) Beginning on the implementation date designated by the Tax
23 Commissioner pursuant to subsection (1) of section 44 of this act, prior
24 to the winnings payment of any casino winnings as defined in section 35
25 of this act, an authorized gaming operator shall check the collection
26 system to determine if the winner has a debt or an outstanding state tax
27 liability as required by the Gambling Winnings Setoff for Outstanding
28 Debt Act. If such authorized gaming operator determines that the winner
29 is subject to the collection system, the operator shall deduct the amount
30 of debt and outstanding state tax liability identified in the collection
31 system from the winnings payment and shall remit the net winnings payment

1 of casino winnings, if any, to the winner and the amount deducted to the
2 Department of Revenue to be credited against such debt or outstanding
3 state tax liability as provided in section 38 of this act.

4 Sec. 49. Section 9-1110, Revised Statutes Supplement, 2023, is
5 amended to read:

6 9-1110 (1) The commission may permit an authorized gaming operator
7 to conduct sports wagering. Any sports wager shall be placed in person or
8 at a wagering kiosk in the designated sports wagering area at the
9 licensed racetrack enclosure. A parimutuel wager in accordance with
10 sections 2-1201 to 2-1218 may be placed in the designated sports wagering
11 area at the licensed racetrack enclosure. An individual employed and
12 authorized to accept a sports wager may also accept a parimutuel wager.

13 (2) A floor plan identifying the designated sports wagering area,
14 including the location of any wagering kiosks, shall be filed with the
15 commission for review and approval. Modification to a previously approved
16 plan must be submitted for approval at least ten days prior to
17 implementation. The area shall not be accessible to persons under twenty-
18 one years of age and shall have a sign posted to restrict access.
19 Exceptions to this subsection must be approved in writing by the
20 commission.

21 (3) The authorized gaming operator shall submit controls for
22 approval by the commission, that include the following for operating the
23 designated sports wagering area:

24 (a) Specific procedures and technology partners to fulfill the
25 requirements set forth by the commission;

26 (b) Other specific controls as designated by the commission;

27 (c) A process to easily and prominently impose limitations or
28 notification for wagering parameters, including, but not limited to,
29 deposits and wagers; and

30 (d) An easy and obvious method for a player to make a complaint and
31 to enable the player to notify the commission if such complaint has not

1 been or cannot be addressed by the sports wagering operator.

2 (4) The commission shall develop policies and procedures to ensure a
3 prohibited participant is unable to place a sports wager or parimutuel
4 wager.

5 (5) Beginning on the implementation date designated by the Tax
6 Commissioner pursuant to subsection (1) of section 44 of this act, prior
7 to the winnings payment of any sports wagering winnings as defined in
8 section 35 of this act, an authorized gaming operator shall check the
9 collection system to determine if the winner has a debt or an outstanding
10 state tax liability as required by the Gambling Winnings Setoff for
11 Outstanding Debt Act. If such authorized gaming operator determines that
12 the winner is subject to the collection system, the operator shall deduct
13 the amount of debt and outstanding state tax liability identified in the
14 collection system from the winnings payment and shall remit the net
15 winnings payment of sports wagering winnings, if any, to the winner and
16 the amount deducted to the Department of Revenue to be credited against
17 such debt or outstanding state tax liability as provided in section 38 of
18 this act.

19 Sec. 50. Section 13-520, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 13-520 The limitations in section 13-519 shall not apply to (1)
22 restricted funds budgeted for capital improvements, (2) restricted funds
23 expended from a qualified sinking fund for acquisition or replacement of
24 tangible personal property with a useful life of five years or more, (3)
25 restricted funds pledged to retire bonds as defined in subdivision (1) of
26 section 10-134 and approved according to law, (4) restricted funds used
27 by a public airport to retire interest-free loans from the Division of
28 Aeronautics of the Department of Transportation in lieu of bonded
29 indebtedness at a lower cost to the public airport, (5) restricted funds
30 budgeted in support of a service which is the subject of an agreement or
31 a modification of an existing agreement whether operated by one of the

1 parties to the agreement or by an independent joint entity or joint
2 public agency, (6) restricted funds budgeted to pay for repairs to
3 infrastructure damaged by a natural disaster which is declared a disaster
4 emergency pursuant to the Emergency Management Act, (7) restricted funds
5 budgeted to pay for judgments, except judgments or orders from the
6 Commission of Industrial Relations, obtained against a governmental unit
7 which require or obligate a governmental unit to pay such judgment, to
8 the extent such judgment is not paid by liability insurance coverage of a
9 governmental unit, (8) restricted funds budgeted to pay benefits under
10 the Firefighter Cancer Benefits Act, ~~or~~ (9) the dollar amount by which
11 restricted funds budgeted by a natural resources district to administer
12 and implement ground water management activities and integrated
13 management activities under the Nebraska Ground Water Management and
14 Protection Act exceed its restricted funds budgeted to administer and
15 implement ground water management activities and integrated management
16 activities for FY2003-04, or (10) restricted funds equal to the amount of
17 local option sales and use tax budgeted to be collected within a good
18 life district established pursuant to section 77-4405.

19 Sec. 51. Section 18-2103, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 18-2103 For purposes of the Community Development Law, unless the
22 context otherwise requires:

23 (1) Area of operation means and includes the area within the
24 corporate limits of the city and such land outside the city as may come
25 within the purview of sections 18-2123 and 18-2123.01;

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

30 (3) Blighted area means an area (a) which, by reason of the presence
31 of a substantial number of deteriorated or deteriorating structures,

1 existence of defective or inadequate street layout, faulty lot layout in
2 relation to size, adequacy, accessibility, or usefulness, insanitary or
3 unsafe conditions, deterioration of site or other improvements, diversity
4 of ownership, tax or special assessment delinquency exceeding the fair
5 value of the land, defective or unusual conditions of title, improper
6 subdivision or obsolete platting, or the existence of conditions which
7 endanger life or property by fire and other causes, or any combination of
8 such factors, substantially impairs or arrests the sound growth of the
9 community, retards the provision of housing accommodations, or
10 constitutes an economic or social liability and is detrimental to the
11 public health, safety, morals, or welfare in its present condition and
12 use and (b) in which there is at least one of the following conditions:
13 (i) Unemployment in the designated area is at least one hundred twenty
14 percent of the state or national average; (ii) the average age of the
15 residential or commercial units in the area is at least forty years;
16 (iii) more than half of the plotted and subdivided property in an area is
17 unimproved land that has been within the city for forty years and has
18 remained unimproved during that time; (iv) the per capita income of the
19 area is lower than the average per capita income of the city or village
20 in which the area is designated; or (v) the area has had either stable or
21 decreasing population based on the last two decennial censuses. In no
22 event shall a city of the metropolitan, primary, or first class designate
23 more than thirty-five percent of the city as blighted, a city of the
24 second class shall not designate an area larger than fifty percent of the
25 city as blighted, and a village shall not designate an area larger than
26 one hundred percent of the village as blighted. A redevelopment project
27 involving a formerly used defense site as authorized under section
28 18-2123.01, any area which is located within a good life district
29 established under the Good Life Transformational Projects Act, and any
30 area declared to be an extremely blighted area under section 18-2101.02
31 shall not count towards the percentage limitations contained in this

1 subdivision;

2 (4) Bonds means any bonds, including refunding bonds, notes, interim
3 certificates, debentures, or other obligations issued pursuant to the
4 Community Development Law except for bonds issued pursuant to section
5 18-2142.04;

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

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

9 (7) Clerk means the clerk of the city or village;

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

13 (9) Employee means a person employed at a business as a result of a
14 redevelopment project;

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

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

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

27 (13) Extremely blighted area means a substandard and blighted area
28 in which: (a) The average rate of unemployment in the area during the
29 period covered by the most recent federal decennial census or American
30 Community Survey 5-Year Estimate is at least two hundred percent of the
31 average rate of unemployment in the state during the same period; and (b)

1 the average poverty rate in the area exceeds twenty percent for the total
2 federal census tract or tracts or federal census block group or block
3 groups in the area;

4 (14) Federal government means the United States of America, or any
5 agency or instrumentality, corporate or otherwise, of the United States
6 of America;

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

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

13 (17) Mayor means the mayor of the city or chairperson of the board
14 of trustees of the village;

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

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

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

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

29 (22) Person means any individual, firm, partnership, limited
30 liability company, corporation, company, association, joint-stock
31 association, or body politic and includes any trustee, receiver,

1 assignee, or other similar representative thereof;

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

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

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

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

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

25 (28) Redevelopment project means any work or undertaking in one or
26 more community redevelopment areas: (a) To acquire substandard and
27 blighted areas or portions thereof, including lands, structures, or
28 improvements the acquisition of which is necessary or incidental to the
29 proper clearance, development, or redevelopment of such substandard and
30 blighted areas; (b) to clear any such areas by demolition or removal of
31 existing buildings, structures, streets, utilities, or other improvements

1 thereon and to install, construct, or reconstruct streets, utilities,
2 parks, playgrounds, public spaces, public parking facilities, sidewalks
3 or moving sidewalks, convention and civic centers, bus stop shelters,
4 lighting, benches or other similar furniture, trash receptacles,
5 shelters, skywalks and pedestrian and vehicular overpasses and
6 underpasses, enhancements to structures in the redevelopment plan area
7 which exceed minimum building and design standards in the community and
8 prevent the recurrence of substandard and blighted conditions, and any
9 other necessary public improvements essential to the preparation of sites
10 for uses in accordance with a redevelopment plan; (c) to sell, lease, or
11 otherwise make available land in such areas for residential,
12 recreational, commercial, industrial, or other uses, including parking or
13 other facilities functionally related or subordinate to such uses, or for
14 public use or to retain such land for public use, in accordance with a
15 redevelopment plan; and may also include the preparation of the
16 redevelopment plan, the planning, survey, and other work incident to a
17 redevelopment project and the preparation of all plans and arrangements
18 for carrying out a redevelopment project; (d) to dispose of all real and
19 personal property or any interest in such property, or assets, cash, or
20 other funds held or used in connection with residential, recreational,
21 commercial, industrial, or other uses, including parking or other
22 facilities functionally related or subordinate to such uses, or any
23 public use specified in a redevelopment plan or project, except that such
24 disposition shall be at its fair value for uses in accordance with the
25 redevelopment plan; (e) to acquire real property in a community
26 redevelopment area which, under the redevelopment plan, is to be repaired
27 or rehabilitated for dwelling use or related facilities, repair or
28 rehabilitate the structures, and resell the property; (f) to carry out
29 plans for a program of voluntary or compulsory repair, rehabilitation, or
30 demolition of buildings in accordance with the redevelopment plan; and
31 (g) in a rural community or in an extremely blighted area within a

1 municipality that is not a rural community, to carry out construction of
2 workforce housing;

3 (29) Redevelopment project valuation means the valuation for
4 assessment of the taxable real property in a redevelopment project last
5 certified for the year prior to the effective date of the provision
6 authorized in section 18-2147;

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

10 (31) Substandard area means an area in which there is a predominance
11 of buildings or improvements, whether nonresidential or residential in
12 character, which, by reason of dilapidation, deterioration, age or
13 obsolescence, inadequate provision for ventilation, light, air,
14 sanitation, or open spaces, high density of population and overcrowding,
15 or the existence of conditions which endanger life or property by fire
16 and other causes, or any combination of such factors, is conducive to ill
17 health, transmission of disease, infant mortality, juvenile delinquency,
18 and crime, (which cannot be remedied through construction of prisons),
19 and is detrimental to the public health, safety, morals, or welfare; and

20 (32) Workforce housing means:

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

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

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

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

4 (e) Upper-story housing.

5 Sec. 52. Section 43-512.12, Revised Statutes Cumulative Supplement,
6 2022, is amended to read:

7 43-512.12 (1) Child support orders in cases in which a party has
8 applied for services under Title IV-D of the federal Social Security Act,
9 as amended, shall be reviewed by the Department of Health and Human
10 Services to determine whether to refer such orders to the county attorney
11 or authorized attorney for filing of an application for modification. An
12 order shall be reviewed by the department upon its own initiative or at
13 the request of either parent when such review is required by Title IV-D
14 of the federal Social Security Act, as amended. After review the
15 department shall refer an order to a county attorney or authorized
16 attorney when the verifiable financial information available to the
17 department indicates:

18 (a) The present child support obligation varies from the Supreme
19 Court child support guidelines pursuant to section 42-364.16 by more than
20 the percentage, amount, or other criteria established by Supreme Court
21 rule, and the variation is due to financial circumstances which have
22 lasted at least three months and can reasonably be expected to last for
23 an additional six months; or

24 (b) Health care coverage meeting the requirements of subsection (2)
25 of section 42-369 is available to either party and the children do not
26 have health care coverage other than the medical assistance program under
27 the Medical Assistance Act.

28 Health care coverage cases may be modified within three years of
29 entry of the order.

30 (2) Orders that are not addressed under subsection (1) of this
31 section shall not be reviewed by the department if it has not been three

1 years since the present child support obligation was ordered unless the
2 requesting party demonstrates a substantial change in circumstances that
3 is expected to last for the applicable time period established by
4 subdivision (1)(a) of this section. Such substantial change in
5 circumstances may include, but is not limited to, change in employment,
6 earning capacity, or income or receipt of an ongoing source of income
7 from a pension, gift, ~~or~~ lottery winnings, casino winnings, parimutuel
8 winnings, sports wagering winnings, or cash device winnings. An order may
9 be reviewed after one year if the department's determination after the
10 previous review was not to refer to the county attorney or authorized
11 attorney for filing of an application for modification because financial
12 circumstances had not lasted or were not expected to last for the time
13 periods established by subdivision (1)(a) of this section.

14 (3) Notwithstanding the time periods set forth in subdivision (1)(a)
15 of this section, within fifteen business days of learning that a
16 noncustodial parent will be incarcerated for more than one hundred eighty
17 calendar days, the department shall send notice by first-class mail to
18 both parents informing them of the right to request the state to review
19 and, if appropriate, adjust the order. Such notice shall be sent to the
20 incarcerated parent at the address of the facility at which the parent is
21 incarcerated.

22 Sec. 53. Section 44-314, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 44-314 (1) Except as provided in subsection (2) of this section, an
25 employer providing for an individual or family health insurance policy
26 for a first responder employee shall not cancel such policy if the first
27 responder suffers serious bodily injury from an event ~~No city or county~~
28 ~~offering an individual or family health insurance policy to first~~
29 ~~responders shall cancel such individual or family health insurance for~~
30 ~~any first responder who suffers serious bodily injury from an assault~~
31 that occurs while the first responder is acting in the line of ~~on~~ duty

1 and that results in the first responder falling below the minimum number
2 of working hours needed to maintain his or her regular individual or
3 family health insurance.

4 ~~(2) The city or county shall only be obligated to provide such~~
5 ~~health insurance while the first responder is employed with the city or~~
6 ~~county.~~

7 (2) Subsection (1) of this section does not prohibit an employer
8 from canceling ~~(3) A city or county may cancel~~ such policy health
9 insurance if the first responder:

10 (a) Voluntarily ceases to be employed with the employer; or

11 (b) Does ~~does~~ not return to employment within twelve months after
12 the date of injury.

13 (3) For a first responder who dies as a result of an event that
14 occurs while the first responder is acting in the line of duty, the
15 employer of such first responder shall not cancel any health insurance
16 policy covering a spouse or dependent of such first responder for a
17 period of at least twelve months following such death.

18 (4) For purposes of this section:

19 (a) Employer means any state or local governmental entity that
20 employs a first responder;

21 (b) First ~~, first~~ responder means any law enforcement officer,
22 professional a sheriff, deputy sheriff, police officer, paid firefighter,
23 or paid individual licensed under a licensure classification in
24 subdivision (1) of section 38-1217 who provides medical care in order to
25 prevent loss of life or aggravation of physiological or psychological
26 illness or injury; ~~-~~

27 (c) Law enforcement officer has the same meaning as in section
28 81-1401;

29 (d) Line of duty means any action that a first responder is
30 authorized or obligated by law, rule, or regulation to perform, related
31 to or as a condition of employment or service; and

1 (e) Professional firefighter means an individual who is a
2 firefighter or firefighter-paramedic as a full-time career and who is a
3 member of a paid fire department of any of the following entities within
4 Nebraska:

5 (i) A municipality, including a municipality having a home rule
6 charter or a municipal authority created pursuant to a home rule charter
7 that has its own paid fire department;

8 (ii) A rural or suburban fire protection district; or

9 (iii) A fire service providing fire protection to state military
10 installations.

11 Sec. 54. Section 60-301, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 60-301 Sections 60-301 to 60-3,258 and section 56 of this act shall
14 be known and may be cited as the Motor Vehicle Registration Act.

15 Sec. 55. Section 60-302, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 60-302 For purposes of the Motor Vehicle Registration Act, unless
18 the context otherwise requires, the definitions found in sections
19 60-302.01 to 60-360 and section 56 of this act shall be used.

20 Sec. 56. Plug-in hybrid electric vehicle means any motor vehicle
21 which:

22 (1) Uses batteries to power an electric motor;

23 (2) Uses motor vehicle fuel as defined in section 66-482, diesel
24 fuel as defined in section 66-482, or compressed fuel as defined in
25 section 66-6,100 to power an internal combustion engine; and

26 (3) Has batteries that can be charged using a wall outlet or
27 charging equipment.

28 Sec. 57. Section 60-3,191, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 60-3,191 In addition to any other fee required under the Motor
31 Vehicle Registration Act, a fee for registration of each motor vehicle

1 powered by an alternative fuel shall be charged. The fee shall be one
2 hundred fifty dollars, except that for a motorcycle or plug-in hybrid
3 electric vehicle, the fee shall be seventy-five dollars. The fee shall be
4 collected by the county treasurer and remitted to the State Treasurer for
5 credit to the Highway Trust Fund.

6 Sec. 58. Section 66-482, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 66-482 For purposes of sections 66-482 to 66-4,149:

9 (1) Agricultural ethyl alcohol means ethyl alcohol produced from
10 cereal grains or agricultural commodities grown within the continental
11 United States and which is a finished product that is a nominally
12 anhydrous ethyl alcohol meeting American Society for Testing and
13 Materials D4806 standards. For the purpose of sections 66-482 to
14 66-4,149, the purity of the ethyl alcohol shall be determined excluding
15 denaturant, and the volume of alcohol blended with gasoline for motor
16 vehicle fuel shall include the volume of any denaturant required pursuant
17 to law;

18 (2) Alcohol blend means a blend of agricultural ethyl alcohol in
19 gasoline or other motor vehicle fuel, such blend to contain not less than
20 five percent by volume of alcohol;

21 (3) Biodiesel means mono-alkyl esters of long chain fatty acids
22 derived from vegetable oils or animal fats which conform to American
23 Society for Testing and Materials D6751 specifications for use in diesel
24 engines. Biodiesel refers to the pure fuel before blending with diesel
25 fuel;

26 (4) Biodiesel facility means a plant which produces biodiesel;

27 (5) Commercial electric vehicle charging station has the same
28 meaning as in section 70-1001.01;

29 (6) Commercial electric vehicle charging station operator has the
30 same meaning as in section 70-1001.01;

31 (7) Compressed fuel has the same meaning as in section 66-6,100;

1 (8) Department means the Department of Revenue;

2 (9) Diesel fuel means all combustible liquids and biodiesel which
3 are suitable for the generation of power for diesel-powered vehicles,
4 except that diesel fuel does not include kerosene;

5 (10) Distributor means any person who acquires ownership of motor
6 fuels directly from a producer or supplier at or from a barge, barge
7 line, pipeline terminal, or ethanol or biodiesel facility in this state;

8 (11) Ethanol facility means a plant which produces agricultural
9 ethyl alcohol;

10 (12) Exporter means any person who acquires ownership of motor fuels
11 from any licensed producer, supplier, distributor, wholesaler, or
12 importer exclusively for use or resale in another state;

13 (13) Gross gallons means measured gallons without adjustment or
14 correction for temperature or barometric pressure;

15 (14) Highway means every way or place generally open to the use of
16 the public for the purpose of vehicular travel, even though such way or
17 place may be temporarily closed or travel thereon restricted for the
18 purpose of construction, maintenance, repair, or reconstruction;

19 (15) Importer means any person who owns motor fuels at the time such
20 fuels enter the State of Nebraska by any means other than barge, barge
21 line, or pipeline. Importer does not include a person who imports motor
22 fuels in a tank directly connected to the engine of a motor vehicle,
23 train, watercraft, or airplane for purposes of providing fuel to the
24 engine to which the tank is connected;

25 (16) Kerosene means kerosene meeting the specifications as found in
26 the American Society for Testing and Materials publication D3699 entitled
27 Standard Specification for Kerosene;

28 (17) Motor fuels means motor vehicle fuel, diesel fuel, aircraft
29 fuel, or compressed fuel;

30 (18) ~~(1)~~ Motor vehicle ~~has shall have~~ the same meaning definition as

31 in section 60-339;

1 (19) ~~(2)~~ Motor vehicle fuel includes ~~shall include~~ all products and
2 fuel commonly or commercially known as gasoline, including casing head or
3 natural gasoline, and includes ~~shall include~~ any other liquid and such
4 other volatile and inflammable liquids as may be produced, compounded, or
5 used for the purpose of operating or propelling motor vehicles,
6 motorboats, or aircraft or as an ingredient in the manufacture of such
7 fuel. Motor vehicle fuel includes agricultural ~~Agricultural~~ ethyl alcohol
8 produced for use as a motor vehicle fuel ~~shall be considered a motor~~
9 ~~vehicle fuel~~. Motor vehicle fuel does ~~shall~~ not include the products
10 commonly known as methanol, kerosene oil, kerosene distillate, crude
11 petroleum, naphtha, and benzine with a boiling point over two hundred
12 degrees Fahrenheit, residuum gas oil, smudge oil, leaded automotive
13 racing fuel with an American Society of Testing Materials research method
14 octane number in excess of one hundred five, and any petroleum product
15 with an initial boiling point under two hundred degrees Fahrenheit, a
16 ninety-five percent distillation (recovery) temperature in excess of four
17 hundred sixty-four degrees Fahrenheit, an American Society of Testing
18 Materials research method octane number less than seventy, and an end or
19 dry point of distillation of five hundred seventy degrees Fahrenheit
20 maximum;

21 (20) Person means any individual, firm, partnership, limited
22 liability company, company, agency, association, corporation, state,
23 county, municipality, or other political subdivision. Whenever a fine or
24 imprisonment is prescribed or imposed in sections 66-482 to 66-4,149, the
25 word person as applied to a partnership, a limited liability company, or
26 an association means the partners or members thereof;

27 (21) Producer means any person who manufactures agricultural ethyl
28 alcohol or biodiesel at an ethanol or biodiesel facility in this state;

29 (22) Retailer means any person who acquires motor fuels from a
30 producer, supplier, distributor, wholesaler, or importer for resale to
31 consumers of such fuel;

1 ~~(23) Semiannual period means either the period which begins on~~
2 ~~January 1 and ends on June 30 of each year or the period which begins on~~
3 ~~July 1 and ends on December 31 of each year;~~

4 ~~(3) Agricultural ethyl alcohol shall mean ethyl alcohol produced~~
5 ~~from cereal grains or agricultural commodities grown within the~~
6 ~~continental United States and which is a finished product that is a~~
7 ~~nominally anhydrous ethyl alcohol meeting American Society for Testing~~
8 ~~and Materials D4806 standards. For the purpose of sections 66-482 to~~
9 ~~66-4,149, the purity of the ethyl alcohol shall be determined excluding~~
10 ~~denaturant and the volume of alcohol blended with gasoline for motor~~
11 ~~vehicle fuel shall include the volume of any denaturant required pursuant~~
12 ~~to law;~~

13 ~~(4) Alcohol blend shall mean a blend of agricultural ethyl alcohol~~
14 ~~in gasoline or other motor vehicle fuel, such blend to contain not less~~
15 ~~than five percent by volume of alcohol;~~

16 ~~(24) (5) Supplier means shall mean any person who owns motor fuels~~
17 ~~imported by barge, barge line, or pipeline and stored at a barge, barge~~
18 ~~line, or pipeline terminal in this state; and~~

19 ~~(6) Distributor shall mean any person who acquires ownership of~~
20 ~~motor fuels directly from a producer or supplier at or from a barge,~~
21 ~~barge line, pipeline terminal, or ethanol or biodiesel facility in this~~
22 ~~state;~~

23 ~~(25) (7) Wholesaler means shall mean any person, other than a~~
24 ~~producer, supplier, distributor, or importer, who acquires motor fuels~~
25 ~~for resale. ÷~~

26 ~~(8) Retailer shall mean any person who acquires motor fuels from a~~
27 ~~producer, supplier, distributor, wholesaler, or importer for resale to~~
28 ~~consumers of such fuel;~~

29 ~~(9) Importer shall mean any person who owns motor fuels at the time~~
30 ~~such fuels enter the State of Nebraska by any means other than barge,~~
31 ~~barge line, or pipeline. Importer shall not include a person who imports~~

1 ~~motor fuels in a tank directly connected to the engine of a motor~~
2 ~~vehicle, train, watercraft, or airplane for purposes of providing fuel to~~
3 ~~the engine to which the tank is connected;~~

4 ~~(10) Exporter shall mean any person who acquires ownership of motor~~
5 ~~fuels from any licensed producer, supplier, distributor, wholesaler, or~~
6 ~~importer exclusively for use or resale in another state;~~

7 ~~(11) Gross gallons shall mean measured gallons without adjustment or~~
8 ~~correction for temperature or barometric pressure;~~

9 ~~(12) Diesel fuel shall mean all combustible liquids and biodiesel~~
10 ~~which are suitable for the generation of power for diesel-powered~~
11 ~~vehicles, except that diesel fuel shall not include kerosene;~~

12 ~~(13) Compressed fuel shall mean any fuel defined as compressed fuel~~
13 ~~in section 66-6,100;~~

14 ~~(14) Person shall mean any individual, firm, partnership, limited~~
15 ~~liability company, company, agency, association, corporation, state,~~
16 ~~county, municipality, or other political subdivision. Whenever a fine or~~
17 ~~imprisonment is prescribed or imposed in sections 66-482 to 66-4,149, the~~
18 ~~word person as applied to a partnership, a limited liability company, or~~
19 ~~an association shall mean the partners or members thereof;~~

20 ~~(15) Department shall mean the Department of Revenue;~~

21 ~~(16) Semiannual period shall mean either the period which begins on~~
22 ~~January 1 and ends on June 30 of each year or the period which begins on~~
23 ~~July 1 and ends on December 31 of each year;~~

24 ~~(17) Producer shall mean any person who manufactures agricultural~~
25 ~~ethyl alcohol or biodiesel at an ethanol or biodiesel facility in this~~
26 ~~state;~~

27 ~~(18) Highway shall mean every way or place generally open to the use~~
28 ~~of the public for the purpose of vehicular travel, even though such way~~
29 ~~or place may be temporarily closed or travel thereon restricted for the~~
30 ~~purpose of construction, maintenance, repair, or reconstruction;~~

31 ~~(19) Kerosene shall mean kerosene meeting the specifications as~~

1 found in the American Society for Testing and Materials publication D3699
2 entitled Standard Specifications for Kerosene;

3 ~~(20) Biodiesel shall mean mono-alkyl esters of long chain fatty~~
4 ~~acids derived from vegetable oils or animal fats which conform to~~
5 ~~American Society for Testing and Materials D6751 specifications for use~~
6 ~~in diesel engines. Biodiesel refers to the pure fuel before blending with~~
7 ~~diesel fuel;~~

8 ~~(21) Motor fuels shall mean motor vehicle fuel, diesel fuel,~~
9 ~~aircraft fuel, or compressed fuel;~~

10 ~~(22) Ethanol facility shall mean a plant which produces agricultural~~
11 ~~ethyl alcohol; and~~

12 ~~(23) Biodiesel facility shall mean a plant which produces biodiesel.~~

13 Sec. 59. Section 66-4,105, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 66-4,105 (1)(a) ~~(1)~~ There is hereby levied and imposed an excise
16 tax in an amount set in subdivision (1)(b) ~~subsection (2)~~ of this
17 section, increased by the amounts imposed or determined under sections
18 66-489.02, 66-4,140, 66-4,145, and 66-4,146, upon the use of all motor
19 fuels used in this state and due the State of Nebraska under section
20 66-489. Users of motor fuels subject to taxation under this section shall
21 be allowed the same exemptions, deductions, and rights of reimbursement
22 as are authorized and permitted by Chapter 66, article 4, other than any
23 commissions provided under such article.

24 (b) (2) The excise tax shall be nine and one-half cents per
25 gallon. ÷

26 ~~(a) Seven and one-half cents per gallon through December 31, 2015;~~

27 ~~(b) Eight cents per gallon beginning on January 1, 2016, through~~
28 ~~December 31, 2016;~~

29 ~~(c) Eight and one-half cents per gallon beginning on January 1,~~
30 ~~2017, through December 31, 2017;~~

31 ~~(d) Nine cents per gallon beginning on January 1, 2018, through~~

1 ~~December 31, 2018; and~~

2 ~~(e) Nine and one-half cents per gallon beginning on January 1, 2019.~~

3 ~~(c) (3)~~ For purposes of this subsection ~~section~~ and section
4 66-4,106, use means the purchase or consumption of motor fuels in this
5 state.

6 (2) Beginning January 1, 2028, there is hereby levied and imposed an
7 excise tax of three cents per kilowatt hour on the electric energy used
8 to charge the battery of a motor vehicle at a commercial electric vehicle
9 charging station.

10 Sec. 60. Section 70-1001.01, Revised Statutes Supplement, 2023, is
11 amended to read:

12 70-1001.01 For purposes of sections 70-1001 to 70-1028 and section
13 62 of this act, unless the context otherwise requires:

14 (1) Board means the Nebraska Power Review Board;

15 (2) Commercial electric vehicle charging station means equipment
16 designed to provide electricity for a fee for the charging of an electric
17 vehicle or a plug-in hybrid electric vehicle, including an electric
18 vehicle direct-current charger or a super-fast charger, any successor
19 technology, and all components thereof. Commercial electric vehicle
20 charging station does not include the residence of a person where an
21 electric vehicle or a plug-in hybrid electric vehicle is charged if no
22 customer usage fee is charged;

23 (3) Commercial electric vehicle charging station operator means a
24 person, partnership, corporation, or other business entity or political
25 subdivision that operates a commercial electric vehicle charging station;

26 (4) Direct-current, fast-charging station means a publicly available
27 charging system capable of delivering at least fifty kilowatts of direct-
28 current electrical power to an electric vehicle's rechargeable battery at
29 a voltage of two hundred volts or greater;

30 (5) Direct-current, fast-charging station operator means a person,
31 partnership, corporation, or other business entity that operates a

1 direct-current, fast-charging station open to the public. The term does
2 not include an electric supplier or a political subdivision;

3 (6) (2) Electric supplier or supplier of electricity means any legal
4 entity supplying, producing, or distributing electricity within the state
5 for sale at wholesale or retail. Electric supplier does not include a
6 commercial electric vehicle charging station operator;

7 (7) Plug-in hybrid electric vehicle has the same meaning as in
8 section 56 of this act;

9 (8) (3) Private electric supplier means an electric supplier
10 producing electricity from a privately developed renewable energy
11 generation facility that is not a public power district, a public power
12 and irrigation district, a municipality, a registered group of
13 municipalities, an electric cooperative, an electric membership
14 association, any other governmental entity, or any combination thereof;

15 (9) (4) Privately developed renewable energy generation facility
16 means a facility that (a) generates electricity using solar, wind,
17 geothermal, biomass, landfill gas, or biogas, including all electrically
18 connected equipment used to produce, collect, and store the facility
19 output up to and including the transformer that steps up the voltage to
20 sixty thousand volts or greater, and including supporting structures,
21 buildings, and roads, unless otherwise agreed to in a joint transmission
22 development agreement, (b) is developed, constructed, and owned, in whole
23 or in part, by one or more private electric suppliers, and (c) is not
24 wholly owned by a public power district, a public power and irrigation
25 district, a municipality, a registered group of municipalities, an
26 electric cooperative, an electric membership association, any other
27 governmental entity, or any combination thereof;

28 (10) (5) Regional transmission organization means an entity
29 independent from those entities generating or marketing electricity at
30 wholesale or retail, which has operational control over the electric
31 transmission lines in a designated geographic area in order to reduce

1 constraints in the flow of electricity and ensure that all power
2 suppliers have open access to transmission lines for the transmission of
3 electricity;

4 (11) ~~(6)~~ Reliable or reliability means the ability of an electric
5 supplier to supply the aggregate electric power and energy requirements
6 of its electricity consumers in Nebraska at all times under normal
7 operating conditions, taking into account scheduled and unscheduled
8 outages, including sudden disturbances or unanticipated loss of system
9 components that are to be reasonably expected for any electric utility
10 following prudent utility practices, recognizing certain weather
11 conditions and other contingencies may cause outages at the distribution,
12 transmission, and generation level;

13 (12) ~~(7)~~ Representative organization means an organization
14 designated by the board and organized for the purpose of providing joint
15 planning and encouraging maximum cooperation and coordination among
16 electric suppliers. Such organization shall represent electric suppliers
17 owning a combined electric generation plant accredited capacity of at
18 least ninety percent of the total electric generation plant accredited
19 capacity constructed and in operation within the state;

20 (13) ~~(8)~~ State means the State of Nebraska; and

21 (14) ~~(9)~~ Unbundled retail rates means the separation of utility
22 bills into the individual price components for which an electric supplier
23 charges its retail customers, including, but not limited to, the separate
24 charges for the generation, transmission, and distribution of
25 electricity.

26 Sec. 61. Section 70-1002.02, Reissue Revised Statutes of Nebraska,
27 is amended to read:

28 70-1002.02 (1) No supplier shall offer, provide, or sell electric
29 energy at wholesale in areas, or to customers, in violation of any
30 agreement entered into and approved by the Nebraska Power Review Board
31 pursuant to section 70-1002.01.

1 (2) A commercial electric vehicle charging station operator may
2 receive electric energy solely from an electric supplier with the right
3 to serve the location of the commercial electric vehicle charging station
4 and shall not offer, provide, sell, or resell electric energy at
5 wholesale or retail for any purpose or use other than the charging of
6 electric vehicles at the location of the commercial electric vehicle
7 charging station. A commercial electric vehicle charging station operator
8 may charge electric vehicle charging customers on the basis of kilowatt-
9 hours consumed. A commercial electric vehicle charging station is subject
10 to the interconnection requirements, electric rates, and service
11 regulations of the electric supplier in whose certified service area the
12 commercial electric vehicle charging station is located. Nothing in
13 sections 70-1001 to 70-1028 shall prohibit an electric supplier from
14 owning and operating an electric vehicle charging station or recovering
15 its costs to provide electric service to a commercial electric vehicle
16 charging station.

17 (3) A commercial electric vehicle charging station funded in whole
18 or part by state or federal funds shall only be installed by an installer
19 who has obtained certification from the Electric Vehicle Infrastructure
20 Training Program.

21 (4) Nothing in this section shall be construed to prohibit the use
22 of batteries with a commercial electric vehicle charging station if such
23 battery is charged with electric energy received solely from an electric
24 supplier.

25 Sec. 62. (1) An electric supplier shall have the authority to own,
26 maintain, and operate a direct-current, fast-charging station for retail
27 services only under all of the following conditions:

28 (a) An electric supplier shall only develop, own, maintain, or
29 operate a direct-current, fast-charging station at a location which is at
30 least fifteen miles from a privately owned direct-current, fast-charging
31 station that is already existing or under construction and at least one

1 mile from an alternative fuel corridor designated by the Federal Highway
2 Administration; and

3 (b) Before beginning construction of a direct-current, fast-charging
4 station that is developed, owned, maintained, or operated by such
5 electric supplier, the electric supplier shall conduct a right of first
6 refusal process as follows:

7 (i) At least ninety days prior to beginning construction of a
8 direct-current, fast-charging station, the electric supplier shall
9 publish notice in a newspaper in or of general circulation in the county
10 where the direct-current, fast-charging station will be located as well
11 as on its website. Such notice shall contain the beginning construction
12 date, the construction location, the electric supplier's mailing address
13 and email address, and the method by which a direct-current, fast-
14 charging station operator may notify the electric supplier that such
15 direct-current, fast-charging station operator plans to provide a direct-
16 current, fast-charging station within fifteen miles of the proposed
17 construction location;

18 (ii) If during such ninety-day period one or more direct-current,
19 fast-charging station operators assert their right of first refusal by
20 providing notification as described under subdivision (1)(b)(i) of this
21 section, the electric supplier shall not construct the direct-current,
22 fast-charging station; and

23 (iii) If after the ninety-day period no direct-current, fast-
24 charging station operator has asserted a right of first refusal to
25 provide a direct-current, fast-charging station within fifteen miles of
26 the location proposed by an electric supplier, or if after notification
27 is received under subdivision (1)(b)(i) of this section no direct-
28 current, fast-charging station service is provided within eighteen months
29 by a direct-current, fast-charging station operator, the electric
30 supplier may proceed with construction of a direct-current, fast-charging
31 station at the proposed location.

1 (2) An electric supplier that provides a direct-current, fast-
2 charging station pursuant to this section shall do so under rates, tolls,
3 rents, and charges that shall be fair, reasonable, nondiscriminatory, and
4 available to all direct-current, fast-charging station operators in the
5 electric supplier's service territory for the purposes of operating
6 direct-current, fast-charging stations.

7 Sec. 63. Section 77-202, Revised Statutes Cumulative Supplement,
8 2022, is amended to read:

9 77-202 (1) The following property shall be exempt from property
10 taxes:

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

14 (i) Property of the state and its governmental subdivisions means
15 (A) property held in fee title by the state or a governmental subdivision
16 or (B) property beneficially owned by the state or a governmental
17 subdivision in that it is used for a public purpose and is being acquired
18 under a lease-purchase agreement, financing lease, or other instrument
19 which provides for transfer of legal title to the property to the state
20 or a governmental subdivision upon payment of all amounts due thereunder.
21 If the property to be beneficially owned by a governmental subdivision
22 has a total acquisition cost that exceeds the threshold amount or will be
23 used as the site of a public building with a total estimated construction
24 cost that exceeds the threshold amount, then such property shall qualify
25 for an exemption under this section only if the question of acquiring
26 such property or constructing such public building has been submitted at
27 a primary, general, or special election held within the governmental
28 subdivision and has been approved by the voters of the governmental
29 subdivision. For purposes of this subdivision, threshold amount means the
30 greater of fifty thousand dollars or six-tenths of one percent of the
31 total actual value of real and personal property of the governmental

1 subdivision that will beneficially own the property as of the end of the
2 governmental subdivision's prior fiscal year; and

3 (ii) Public purpose means use of the property (A) to provide public
4 services with or without cost to the recipient, including the general
5 operation of government, public education, public safety, transportation,
6 public works, civil and criminal justice, public health and welfare,
7 developments by a public housing authority, parks, culture, recreation,
8 community development, and cemetery purposes, or (B) to carry out the
9 duties and responsibilities conferred by law with or without
10 consideration. Public purpose does not include leasing of property to a
11 private party unless the lease of the property is at fair market value
12 for a public purpose. Leases of property by a public housing authority to
13 low-income individuals as a place of residence are for the authority's
14 public purpose;

15 (b) Unleased property of the state or its governmental subdivisions
16 which is not being used or developed for use for a public purpose but
17 upon which a payment in lieu of taxes is paid for public safety, rescue,
18 and emergency services and road or street construction or maintenance
19 services to all governmental units providing such services to the
20 property. Except as provided in Article VIII, section 11, of the
21 Constitution of Nebraska, the payment in lieu of taxes shall be based on
22 the proportionate share of the cost of providing public safety, rescue,
23 or emergency services and road or street construction or maintenance
24 services unless a general policy is adopted by the governing body of the
25 governmental subdivision providing such services which provides for a
26 different method of determining the amount of the payment in lieu of
27 taxes. The governing body may adopt a general policy by ordinance or
28 resolution for determining the amount of payment in lieu of taxes by
29 majority vote after a hearing on the ordinance or resolution. Such
30 ordinance or resolution shall nevertheless result in an equitable
31 contribution for the cost of providing such services to the exempt

1 property;

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

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

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

14 (A) Educational ~~this subdivision, educational~~ organization means (I)
15 ~~(A)~~ an institution operated exclusively for the purpose of offering
16 regular courses with systematic instruction in academic, vocational, or
17 technical subjects or assisting students through services relating to the
18 origination, processing, or guarantying of federally reinsured student
19 loans for higher education or (II) ~~(B)~~ a museum or historical society
20 operated exclusively for the benefit and education of the public; ~~and -~~

21 (B) Charitable ~~For purposes of this subdivision, charitable~~
22 organization includes (I) an organization operated exclusively for the
23 purpose of the mental, social, or physical benefit of the public or an
24 indefinite number of persons and (II) a fraternal benefit society
25 organized and licensed under sections 44-1072 to 44-10,109. ~~;~~ ~~and~~

26 (iii) ~~The property tax exemption authorized in subdivision (1)(d)(i)~~
27 ~~of this section shall apply to any skilled nursing facility as defined in~~
28 ~~section 71-429, nursing facility as defined in section 71-424, or~~
29 ~~assisted-living facility as defined in section 71-5903 that provides~~
30 ~~housing for medicaid beneficiaries, except that the exemption amount for~~
31 ~~such property shall be a percentage of the property taxes that would~~

1 otherwise be due. Such percentage shall be equal to the average
2 percentage of occupied beds in the facility provided to medicaid
3 beneficiaries over the most recent three-year period.

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

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

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

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

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

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

1 considered business inventory.

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

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

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

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

24 (10) Any tangible personal property that is acquired by a person
25 operating a data center located in this state, that is assembled,
26 engineered, processed, fabricated, manufactured into, attached to, or
27 incorporated into other tangible personal property, both in component
28 form or that of an assembled product, for the purpose of subsequent use
29 at a physical location outside this state by the person operating a data
30 center shall be exempt from the personal property tax. Such exemption
31 extends to keeping, retaining, or exercising any right or power over

1 tangible personal property in this state for the purpose of subsequently
2 transporting it outside this state for use thereafter outside this state.
3 For purposes of this subsection, data center means computers, supporting
4 equipment, and other organized assembly of hardware or software that are
5 designed to centralize the storage, management, or dissemination of data
6 and information, environmentally controlled structures or facilities or
7 interrelated structures or facilities that provide the infrastructure for
8 housing the equipment, such as raised flooring, electricity supply,
9 communication and data lines, Internet access, cooling, security, and
10 fire suppression, and any building housing the foregoing.

11 (11) For tax years prior to tax year 2020, each person who owns
12 property required to be reported to the county assessor under section
13 77-1201 shall be allowed an exemption amount as provided in the Personal
14 Property Tax Relief Act. For tax years prior to tax year 2020, each
15 person who owns property required to be valued by the state as provided
16 in section 77-601, 77-682, 77-801, or 77-1248 shall be allowed a
17 compensating exemption factor as provided in the Personal Property Tax
18 Relief Act.

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

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

24 (ii) Deployed in a qualified census tract located within the
25 corporate limits of a city of the metropolitan class and being utilized
26 to provide end-users with access to the Internet at speeds of at least
27 one hundred megabits per second for downloading and at least one hundred
28 megabits per second for uploading.

29 (b) An owner of broadband equipment seeking an exemption under this
30 section shall apply for an exemption to the county assessor on or before
31 December 31 of the year preceding the year for which the exemption is to

1 begin. If the broadband equipment meets the criteria described in this
2 subsection, the county assessor shall approve the application within
3 thirty calendar days after receiving the application. The application
4 shall be on forms prescribed by the Tax Commissioner.

5 (c) For purposes of this subsection:

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

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

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

29 Sec. 64. Section 77-202.01, Revised Statutes Cumulative Supplement,
30 2022, is amended to read:

31 77-202.01 (1) Any organization or society seeking a tax exemption

1 provided in subdivisions (1)(c) and (d) of section 77-202 for any real or
2 tangible personal property, except real property used for cemetery
3 purposes, shall apply for exemption to the county assessor on or before
4 December 31 of the year preceding the year for which the exemption is
5 sought on forms prescribed by the Tax Commissioner. Applications that
6 lack an estimated valuation, or any other required information, shall
7 result in the denial of the requested exemption. The county assessor
8 shall examine the application and recommend either taxable or exempt for
9 the real property or tangible personal property to the county board of
10 equalization on or before March 1 following. For applications involving
11 property described in subdivision (1)(d)(iii) or (iv) of section 77-202,
12 the county assessor shall also calculate the exemption amount for the
13 property and shall submit such calculation to the county board of
14 equalization along with his or her recommendations. Notice that a list of
15 the applications from organizations seeking tax exemption, descriptions
16 of the property, and recommendations of the county assessor are available
17 in the county assessor's office shall be published in a newspaper of
18 general circulation in the county at least ten days prior to
19 consideration of any application by the county board of equalization.

20 (2) Any organization or society which fails to file an exemption
21 application on or before December 31 may apply on or before June 30 to
22 the county assessor. The organization or society shall also file in
23 writing a request with the county board of equalization for a waiver so
24 that the county assessor may consider the application for exemption. The
25 county board of equalization shall grant the waiver upon a finding that
26 good cause exists for the failure to make application on or before
27 December 31. When the waiver is granted, the county assessor shall
28 examine the application and recommend either taxable or exempt for the
29 real property or tangible personal property to the county board of
30 equalization, shall calculate the exemption amount for any property
31 described in subdivision (1)(d)(iii) or (iv) of section 77-202, and shall

1 assess a penalty against the property of ten percent of the tax that
2 would have been assessed had the waiver been denied or one hundred
3 dollars, whichever is less, for each calendar month or fraction thereof
4 for which the filing of the exemption application missed the December 31
5 deadline. The penalty shall be collected and distributed in the same
6 manner as a tax on the property and interest shall be assessed at the
7 rate specified in section 45-104.01, as such rate may from time to time
8 be adjusted by the Legislature, from the date the tax would have been
9 delinquent until paid. The penalty shall also become a lien in the same
10 manner as a tax pursuant to section 77-203.

11 Sec. 65. Section 77-202.03, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 77-202.03 (1) Except as provided in section 77-202.10 and subsection
14 (2) of this section, a A properly granted exemption of real or tangible
15 personal property, ~~except real property used for cemetery purposes,~~
16 provided for in subdivisions (1)(c) and (d) of section 77-202 shall
17 continue for a period of four years if the statement of reaffirmation of
18 exemption required by subsection (3) ~~(2)~~ of this section is filed when
19 due. The four-year period shall begin with years evenly divisible by
20 four.

21 (2) An owner of property which has been granted an exemption under
22 subdivision (1)(d)(iii) or (iv) of section 77-202 shall be required to
23 reapply for the exemption each year so that the exemption amount for the
24 year can be recalculated.

25 (3) ~~(2)~~ In each intervening year occurring between application
26 years, the organization or society which filed the granted exemption
27 application for the real or tangible personal property, except real
28 property used for cemetery purposes and real property described in
29 subdivision (1)(d)(iii) or (iv) of section 77-202, shall file a statement
30 of reaffirmation of exemption with the county assessor on or before
31 December 31 of the year preceding the year for which the exemption is

1 sought, on forms prescribed by the Tax Commissioner, certifying that the
2 ownership and use of the exempted property has not changed during the
3 year. Any organization or society which misses the December 31 deadline
4 for filing the statement of reaffirmation of exemption may file the
5 statement of reaffirmation of exemption by June 30. Such filing shall
6 maintain the tax-exempt status of the property without further action by
7 the county and regardless of any previous action by the county board of
8 equalization to deny the exemption due to late filing of the statement of
9 reaffirmation of exemption. Upon any such late filing, the county
10 assessor shall assess a penalty against the property of ten percent of
11 the tax that would have been assessed had the statement of reaffirmation
12 of exemption not been filed or one hundred dollars, whichever is less,
13 for each calendar month or fraction thereof for which the filing of the
14 statement of reaffirmation of exemption is late. The penalty shall be
15 collected and distributed in the same manner as a tax on the property and
16 interest shall be assessed at the rate specified in section 45-104.01, as
17 such rate may from time to time be adjusted by the Legislature, from the
18 date the tax would have been delinquent until paid. The penalty shall
19 also become a lien in the same manner as a tax pursuant to section
20 77-203.

21 (4)(a) ~~(3)(a)~~ If any organization or society seeks a tax exemption
22 for any real or tangible personal property acquired on or after January 1
23 of any year or converted to exempt use on or after January 1 of any year,
24 the organization or society shall make application for exemption on or
25 before July 1 of that year as provided in subsection (1) of section
26 77-202.01. The procedure for reviewing the application shall be as in
27 sections 77-202.01 to 77-202.05, except that the exempt use shall be
28 determined as of the date of application and the review by the county
29 board of equalization shall be completed by August 15.

30 (b) If an organization as described in subdivision (1)(c) or (d) of
31 section 77-202 purchases, between July 1 and the levy date, property that

1 has been granted tax exemption and the property continues to be qualified
2 for a property tax exemption, the purchaser shall on or before November
3 15 make application for exemption as provided in section 77-202.01. The
4 procedure for reviewing the application shall be as in sections 77-202.01
5 to 77-202.05, and the review by the county board of equalization shall be
6 completed by December 15.

7 (5) ~~(4)~~ In any year, the county assessor or the county board of
8 equalization may cause a review of any exemption to determine whether the
9 exemption is proper. Such a review may be taken even if the ownership or
10 use of the property has not changed from the date of the allowance of the
11 exemption. If it is determined that a change in an exemption is
12 warranted, the procedure for hearing set out in section 77-202.02 shall
13 be followed, except that the published notice shall state that the list
14 provided in the county assessor's office only includes those properties
15 being reviewed. If an exemption is denied, the county board of
16 equalization shall place the property on the tax rolls retroactive to
17 January 1 of that year if on the date of the decision of the county board
18 of equalization the property no longer qualifies for an exemption.

19 The county board of equalization shall give notice of the assessed
20 value of the real property in the same manner as outlined in section
21 77-1507, and the procedures for filing a protest shall be the same as
22 those in section 77-1502.

23 When personal property which was exempt becomes taxable because of
24 lost exemption status, the owner or his or her agent has thirty days
25 after the date of denial to file a personal property return with the
26 county assessor. Upon the expiration of the thirty days for filing a
27 personal property return pursuant to this subsection, the county assessor
28 shall proceed to list and value the personal property and apply the
29 penalty pursuant to section 77-1233.04.

30 (6) ~~(5)~~ During the month of September of each year, the county board
31 of equalization shall cause to be published in a paper of general

1 circulation in the county a list of all real estate in the county exempt
2 from taxation for that year pursuant to subdivisions (1)(c) and (d) of
3 section 77-202. Such list shall be grouped into categories as provided by
4 the Property Tax Administrator. An electronic copy of the list of real
5 property exemptions and a copy of the proof of publication shall be
6 forwarded to the Property Tax Administrator on or before November 1 of
7 each year.

8 Sec. 66. Section 77-1333, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 77-1333 (1) For purposes of this section, rent-restricted housing
11 project means a project consisting of five or more houses or residential
12 units that has received an allocation of federal low-income housing tax
13 credits under section 42 of the Internal Revenue Code from the Nebraska
14 Investment Finance Authority or its successor agency and, for the year of
15 assessment, is a project as defined in section 58-219 involving rental
16 housing as defined in section 58-220.

17 (2) The Legislature finds that:

18 (a) The provision of safe, decent, and affordable housing to all
19 residents of the State of Nebraska is a matter of public concern and
20 represents a legitimate and compelling state need, affecting the general
21 welfare of all residents;

22 (b) Rent-restricted housing projects effectively provide safe,
23 decent, and affordable housing for residents of Nebraska;

24 (c) Such projects are restricted by federal law as to the rents paid
25 by the tenants thereof. Such restrictions are set forth in a land-use
26 restriction agreement, which is a restriction applicable to real property
27 under section 77-112;

28 (d) Of all the professionally accepted mass appraisal methodologies,
29 which include the sales comparison approach, the income approach, and the
30 cost approach, the utilization of the income-approach methodology results
31 in the most accurate determination of the actual value of such projects;

1 and

2 (e) This section is intended to (i) further the provision of safe,
3 decent, and affordable housing to all residents of Nebraska and (ii)
4 comply with Article VIII, section 1, of the Constitution of Nebraska,
5 which empowers the Legislature to prescribe standards and methods for the
6 determination of value of real property at uniform and proportionate
7 values.

8 (3) Except as otherwise provided in this section, the county
9 assessor shall utilize an income-approach calculation to determine the
10 actual value of a rent-restricted housing project when determining the
11 assessed valuation to place on the property for each assessment year. The
12 income-approach calculation shall be consistent with this section and any
13 rules and regulations adopted and promulgated by the Tax Commissioner and
14 shall comply with professionally accepted mass appraisal techniques.

15 (4) The Rent-Restricted Housing Projects Valuation Committee is
16 created. For administrative purposes only, the committee shall be within
17 the Department of Revenue. The committee's purpose shall be to develop a
18 market-derived capitalization rate to be used by county assessors in
19 determining the assessed valuation for rent-restricted housing projects.
20 The committee shall consist of the following four persons:

21 (a) A representative of county assessors appointed by the Tax
22 Commissioner. Such representative shall be skilled in the valuation of
23 property and shall hold a certificate issued under section 77-422;

24 (b) A representative of the low-income housing industry appointed by
25 the Tax Commissioner. The appointment shall be based on a recommendation
26 made by the Nebraska Commission on Housing and Homelessness;

27 (c) The Property Tax Administrator or a designee of the Property Tax
28 Administrator who holds a certificate issued under section 77-422. Such
29 person shall serve as the chairperson of the committee; and

30 (d) An appraiser from the private sector appointed by the Tax
31 Commissioner. Such appraiser must hold either a valid credential as a

1 certified general real property appraiser under the Real Property
2 Appraiser Act or an MAI designation from the Appraisal Institute.

3 (5) The owner of a rent-restricted housing project shall file a
4 statement electronically on a form prescribed by the Tax Commissioner
5 with the Rent-Restricted Housing Projects Valuation Committee on or
6 before July 1 of each year that includes (a) details actual income and
7 actual expense data for the prior year or, in the case of an initial
8 statement filed for any project under this subsection, the estimated
9 income and expenses for the first year of operation taken from the
10 application for an allocation of tax credits or private activity bonds,
11 (b) a description of any land-use restrictions, (c) a description of the
12 terms of any mortgage loans, including loan amount, interest rate, and
13 amortization period, and (d) such other information as the committee or
14 the county assessor may require for purposes of this section. The
15 Department of Revenue, on behalf of the committee, shall forward such
16 statements on or before August 15 of each year to the county assessor of
17 each county in which a rent-restricted housing project is located.

18 (6) The Rent-Restricted Housing Projects Valuation Committee shall
19 meet annually in November to examine the information on rent-restricted
20 housing projects that was provided pursuant to subsection (5) of this
21 section. The Department of Revenue shall electronically publish notice of
22 such meeting no less than thirty days in advance. The committee shall
23 also solicit information on the sale of any such rent-restricted housing
24 projects and information on the yields generated to investors in rent-
25 restricted housing projects. The committee shall, after reviewing all
26 such information, calculate a market-derived capitalization rate on an
27 annual basis using the band-of-investment technique or other generally
28 accepted technique used to derive capitalization rates depending upon the
29 data available. The capitalization rate shall be a composite rate
30 weighted by the proportions of total property investment represented by
31 equity and debt, with equity weighted at eighty percent and debt weighted

1 at twenty percent unless a substantially different market capital
2 structure can be verified to the county assessor. The yield for equity
3 shall be calculated using the data on investor returns gathered by the
4 committee. The yield for debt shall be calculated using the data provided
5 to the committee pursuant to subsection (5) of this section. If the
6 committee determines that a particular county or group of counties
7 requires a different capitalization rate than that calculated for the
8 rest of the state pursuant to this subsection, then the committee may
9 calculate an additional capitalization rate that will apply only to such
10 county or group of counties.

11 (7) After the Rent-Restricted Housing Projects Valuation Committee
12 has calculated the capitalization rate or rates under subsection (6) of
13 this section, the committee shall provide such rate or rates and the
14 information reviewed by the committee in calculating such rate or rates
15 in an annual report. Such report shall be forwarded by the Property Tax
16 Administrator to each county assessor in Nebraska no later than December
17 1 of each year for his or her use in determining the valuation of rent-
18 restricted housing projects. The Department of Revenue shall publish the
19 annual report electronically but may charge a fee for paper copies. The
20 Tax Commissioner shall set the fee based on the reasonable cost of
21 producing the report.

22 (8) Except as provided in subsections (9) through (11) of this
23 section, each county assessor shall use the capitalization rate or rates
24 contained in the report received under subsection (7) of this section and
25 the ~~actual~~ income and ~~actual~~ expense data filed by owners of rent-
26 restricted housing projects under subdivision (5)(a) ~~subsection (5)~~ of
27 this section in the county assessor's income-approach calculation for the
28 year. The county assessor shall then use the calculated amount, along
29 with the calculated amounts from the prior two years, to determine a
30 three-year average. Such three-year average shall be the valuation placed
31 on the rent-restricted housing project for the current year. If only two

1 calculated amounts are available, the county assessor shall determine a
2 two-year average, and such two-year average shall be the valuation placed
3 on the rent-restricted housing project for the current year. If only one
4 calculated amount is available, such calculated amount shall be the
5 valuation placed on the rent-restricted housing project for the current
6 year. Any low-income housing tax credits authorized under section 42 of
7 the Internal Revenue Code that were granted to owners of the project
8 shall not be considered income for purposes of the calculation.

9 (9) If the ~~actual~~ income and ~~actual~~ expense data required to be
10 filed for a rent-restricted housing project under subdivision (5)(a)
11 ~~subsection (5)~~ of this section is not filed in a timely manner, the
12 county assessor may use any method for determining actual value for such
13 rent-restricted housing project that is consistent with professionally
14 accepted mass appraisal methods described in section 77-112, so long as
15 such method values the property as a rent-restricted housing project.

16 (10) If a county assessor, based on the facts and circumstances,
17 believes that the income-approach calculation does not result in a
18 valuation of a specific rent-restricted housing project at its actual
19 value as a rent-restricted housing project, then the county assessor
20 shall present such facts and circumstances to the county board of
21 equalization. If the county board of equalization, based on such facts
22 and circumstances, concurs with the county assessor, then the county
23 board of equalization shall petition the Tax Equalization and Review
24 Commission to consider the county assessor's utilization of another
25 professionally accepted mass appraisal technique that, based on the facts
26 and circumstances presented by a county board of equalization, would
27 result in a substantially different determination of actual value of the
28 rent-restricted housing project. Petitions must be filed no later than
29 January 31. The burden of proof is on the petitioning county board of
30 equalization to show that failure to make a determination that a
31 different methodology should be used would result in a value for such

1 rent-restricted housing project that is not equitable and in accordance
2 with the law. At the hearing, the commission may receive testimony from
3 any interested person. After a hearing, the commission shall, within the
4 powers granted in section 77-5007, enter its order based on evidence
5 presented to it at such hearing.

6 (11) If the Tax Commissioner, based on the facts and circumstances,
7 believes that the applicable capitalization rate set by the Rent-
8 Restricted Housing Projects Valuation Committee to value a rent-
9 restricted housing project does not result in a valuation at actual value
10 for such rent-restricted housing project, then the Tax Commissioner shall
11 petition the Tax Equalization and Review Commission to consider an
12 adjustment to the capitalization rate of such rent-restricted housing
13 project. Petitions must be filed no later than January 31. The burden of
14 proof is on the Tax Commissioner to show that failure to make an
15 adjustment to the capitalization rate employed would result in a value
16 that is not equal to the rent-restricted housing project's actual value
17 as a rent-restricted housing project. At the hearing, the commission may
18 receive testimony from any interested person. After a hearing, the
19 commission shall, within the powers granted in section 77-5007, enter its
20 order based on evidence presented to it at such hearing.

21 Sec. 67. (1) The Legislature finds that:

22 (a) The provision of safe, decent, and affordable housing to all
23 residents of the State of Nebraska is a matter of public concern and
24 represents a legitimate and compelling state need, affecting the general
25 welfare of all residents;

26 (b) Sales-restricted houses effectively provide safe, decent, and
27 affordable housing to residents of Nebraska;

28 (c) Sales-restricted houses are restricted by tools such as deed
29 restrictions, covenants, land-lease agreements, and other similar
30 recorded instruments that establish a period of affordability for low-
31 income persons; and

1 (d) These restrictions alter the value of the property by limiting
2 an owner's ability to sell the property.

3 (2) For purposes of this section:

4 (a) Charitable nonprofit housing organization means a charitable
5 nonprofit organization whose primary purpose is the construction or
6 renovation of residential housing for conveyance to low-income persons;

7 (b) Low-income person means a person with a household income of not
8 more than one hundred twenty percent of the area median income, as
9 determined by the United States Department of Housing and Urban
10 Development;

11 (c) Primary residence means the home or place in which an
12 individual's habitation is fixed and to which the individual has a
13 present intention of returning after an absence therefrom, regardless of
14 the duration of the absence; and

15 (d) Sales-restricted house means a residential single-family
16 property that is subject to restrictions, created pursuant to a deed
17 restriction, covenant, land-lease agreement, or other similar recorded
18 instrument, that:

19 (i) Limit the ability of the owner to sell the property in an arm's
20 length transaction;

21 (ii) Are attached to the property for a minimum period of twenty
22 years;

23 (iii) Require the property to be the primary residence of an owner
24 of the property;

25 (iv) Restrict the owner from selling the property to any buyer who
26 is not a low-income person or a charitable nonprofit housing
27 organization; and

28 (v) Were placed on the property by a charitable nonprofit housing
29 organization upon such organization's conveyance of the property to a
30 low-income person.

31 (3) Any organization or individual that owns a sales-restricted

1 house may file an application with the county assessor of the county in
2 which the sales-restricted house is located for a property valuation
3 under this section. Application shall be made on a form prescribed by the
4 Tax Commissioner. The application shall include (a) information
5 describing the location of the sales-restricted house and (b) details on
6 the sales restriction.

7 (4) Upon receipt of the application, the county assessor shall
8 determine:

9 (a) The value of the sales-restricted house at its unrestricted
10 appraised value; and

11 (b) The maximum sales price allowed for the sales-restricted house
12 under the applicable restrictions.

13 (5) The county assessor shall use the lesser of the two values
14 described in subsection (4) of this section for purposes of determining
15 the value of the property under section 77-201.

16 Sec. 68. Section 77-1359, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-1359 The Legislature finds and declares that agricultural land
19 and horticultural land shall be a separate and distinct class of real
20 property for purposes of assessment. The assessed value of agricultural
21 land and horticultural land shall not be uniform and proportionate with
22 all other real property, but the assessed value shall be uniform and
23 proportionate within the class of agricultural land and horticultural
24 land.

25 For purposes of this section and section 77-1363:

26 (1)(a) ~~(1)~~ Agricultural land and horticultural land means a parcel
27 of land, excluding land associated with a building or enclosed structure
28 located on the parcel, which is primarily used for agricultural or
29 horticultural purposes, including wasteland lying in or adjacent to and
30 in common ownership or management with other agricultural land and
31 horticultural land. ÷

1 (b) Agricultural land and horticultural land does not include land
2 used for commercial purposes that are not agricultural or horticultural
3 purposes, such as land used for a solar farm or wind farm;

4 (2)(a) Agricultural or horticultural purposes means used for the
5 commercial production of any plant or animal product in a raw or
6 unprocessed state that is derived from the science and art of
7 agriculture, aquaculture, or horticulture. ÷

8 (b) Agricultural or horticultural purposes includes the following
9 uses of land:

10 (i) Land retained or protected for future agricultural or
11 horticultural purposes under a conservation easement as provided in the
12 Conservation and Preservation Easements Act except when the parcel or a
13 portion thereof is being used for purposes other than agricultural or
14 horticultural purposes; and

15 (ii) Land enrolled in a federal or state program in which payments
16 are received for removing such land from agricultural or horticultural
17 production. ÷ ~~and~~

18 (c) Whether a parcel of land is primarily used for agricultural or
19 horticultural purposes shall be determined without regard to whether some
20 or all of the parcel is platted and subdivided into separate lots or
21 developed with improvements consisting of streets, sidewalks, curbs,
22 gutters, sewer lines, water lines, or utility lines;

23 (3) Farm home site means land contiguous to a farm site which
24 includes an inhabitable residence and improvements used for residential
25 purposes and which is located outside of urban areas or outside a platted
26 and zoned subdivision; and

27 (4) Farm site means the portion of land contiguous to land actively
28 devoted to agriculture which includes improvements that are agricultural
29 or horticultural in nature, including any uninhabitable or unimproved
30 farm home site.

31 Sec. 69. Section 77-2015, Revised Statutes Supplement, 2023, is

1 amended to read:

2 77-2015 (1)(a) ~~(1)~~ Each petitioner in a proceeding to determine
3 inheritance tax shall, upon the entry of an order determining inheritance
4 tax, if any, submit a report regarding inheritance taxes to the county
5 treasurer of each ~~the~~ county in which ~~the~~ inheritance tax is owed
6 ~~determination was conducted. If such reported inheritance taxes are~~
7 changed or amended, the petitioner shall submit an amended report
8 regarding such changed or amended inheritance taxes to the county
9 treasurer of each county in which the inheritance taxes were changed or
10 amended. No inheritance tax may be paid or refunded before the report or
11 amended report, if required, is submitted. In the event of noncompliance
12 by the petitioner, the county treasurer or county attorney of the county
13 in which inheritance tax is owed may complete the form in place of the
14 petitioner.

15 (b) Until June 30, 2024, the ~~The~~ report or amended report shall be
16 submitted on a form prescribed by the Department of Revenue and shall
17 include the following information:

18 (i) ~~(a)~~ The amount of inheritance tax revenue generated under
19 section 77-2004 and the number of persons receiving property that was
20 subject to tax under section 77-2004 and on which inheritance tax was
21 assessed;

22 (ii) ~~(b)~~ The amount of inheritance tax revenue generated under
23 section 77-2005 and the number of persons receiving property that was
24 subject to tax under section 77-2005 and on which inheritance tax was
25 assessed;

26 (iii) ~~(c)~~ The amount of inheritance tax revenue generated under
27 section 77-2006 and the number of persons receiving property that was
28 subject to tax under section 77-2006 and on which inheritance tax was
29 assessed; and

30 (iv) ~~(d)~~ The number of persons who do not reside in this state and
31 who received any property that was subject to tax under section 77-2004,

1 77-2005, or 77-2006 and on which inheritance tax was assessed.

2 (c) Beginning July 1, 2024, the report or amended report shall be
3 submitted on a form prescribed by the Department of Revenue and shall
4 include the following information:

5 (i) The amount of inheritance tax paid under section 77-2004 and the
6 number of persons receiving property that was subject to tax under
7 section 77-2004 and on which inheritance tax was assessed;

8 (ii) The amount of inheritance tax paid under section 77-2005 and
9 the number of persons receiving property that was subject to tax under
10 section 77-2005 and on which inheritance tax was assessed;

11 (iii) The amount of inheritance tax paid under section 77-2006 and
12 the number of persons receiving property that was subject to tax under
13 section 77-2006 and on which inheritance tax was assessed; and

14 (iv) The number of persons who do not reside in this state and who
15 received any property that was subject to tax under section 77-2004,
16 77-2005, or 77-2006 and on which inheritance tax was assessed.

17 (2)(a) (2) The county treasurer of each county shall compile and
18 submit a report regarding inheritance taxes generated from January 1,
19 2023, through June 30, 2023, to the Department of Revenue on or before
20 August 1, 2023. ~~The Beginning July 1, 2023,~~ the county treasurer of each
21 county shall compile and submit a report regarding annual inheritance
22 taxes generated from July 1, 2023, ~~of each year~~ through June 30, 2024 ~~of~~
23 ~~the next year,~~ to the Department of Revenue on or before August 1, 2024.
24 Beginning July 1, 2024, the county treasurer of each county shall compile
25 and submit a report regarding annual inheritance taxes paid from July 1
26 of each year through June 30 of the next year, to the Department of
27 Revenue on or before August 1, 2025, and on or before August 1 of each
28 year thereafter.

29 (b) Until June 30, 2024, the ~~The~~ reports shall be submitted on a
30 form prescribed by the Department of Revenue and shall include the
31 following information:

1 (i) ~~(a)~~ The amount of inheritance tax revenue generated under
2 section 77-2004 and the number of persons receiving property that was
3 subject to tax under section 77-2004 and on which inheritance tax was
4 assessed;

5 (ii) ~~(b)~~ The amount of inheritance tax revenue generated under
6 section 77-2005 and the number of persons receiving property that was
7 subject to tax under section 77-2005 and on which inheritance tax was
8 assessed;

9 (iii) ~~(c)~~ The amount of inheritance tax revenue generated under
10 section 77-2006 and the number of persons receiving property that was
11 subject to tax under section 77-2006 and on which inheritance tax was
12 assessed; and

13 (iv) ~~(d)~~ The number of persons who do not reside in this state and
14 who received any property that was subject to tax under section 77-2004,
15 77-2005, or 77-2006 and on which inheritance tax was assessed.

16 (c) Beginning July 1, 2024, the reports shall be submitted on a form
17 prescribed by the Department of Revenue and shall include the following
18 information:

19 (i) The amount of inheritance tax paid under section 77-2004 and the
20 number of persons receiving property that was subject to tax under
21 section 77-2004 and on which inheritance tax was assessed;

22 (ii) The amount of inheritance tax paid under section 77-2005 and
23 the number of persons receiving property that was subject to tax under
24 section 77-2005 and on which inheritance tax was assessed;

25 (iii) The amount of inheritance tax paid under section 77-2006 and
26 the number of persons receiving property that was subject to tax under
27 section 77-2006 and on which inheritance tax was assessed; and

28 (iv) The number of persons who do not reside in this state and who
29 received any property that was subject to tax under section 77-2004,
30 77-2005, or 77-2006 and on which inheritance tax was assessed.

31 (3) On or before September 1, 2023, and on or before September 1 of

1 each year thereafter, the Department of Revenue shall compile and
2 aggregate such treasurer reports received from each county and make each
3 county report and a statewide aggregate of such county reports available
4 to the public on the Department of Revenue's website.

5 Sec. 70. Section 77-2701, Revised Statutes Supplement, 2023, is
6 amended to read:

7 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,
8 77-27,236, and 77-27,238 to 77-27,241 and section 72 of this act shall be
9 known and may be cited as the Nebraska Revenue Act of 1967.

10 Sec. 71. Section 77-2701.04, Revised Statutes Supplement, 2023, is
11 amended to read:

12 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and
13 77-27,239 and section 72 of this act, unless the context otherwise
14 requires, the definitions found in sections 77-2701.05 to 77-2701.56
15 shall be used.

16 Sec. 72. Sales and use taxes shall not be imposed on the gross
17 receipts from the sale, use, or other consumption in this state of
18 electric energy when stored, used, or consumed by a motor vehicle and the
19 electricity was subject to the excise tax imposed in subsection (2) of
20 section 66-4,105.

21 Sec. 73. Section 77-2716, Revised Statutes Supplement, 2023, is
22 amended to read:

23 77-2716 (1) The following adjustments to federal adjusted gross
24 income or, for corporations and fiduciaries, federal taxable income shall
25 be made for interest or dividends received:

26 (a)(i) There shall be subtracted interest or dividends received by
27 the owner of obligations of the United States and its territories and
28 possessions or of any authority, commission, or instrumentality of the
29 United States to the extent includable in gross income for federal income
30 tax purposes but exempt from state income taxes under the laws of the
31 United States; and

1 (ii) There shall be subtracted interest received by the owner of
2 obligations of the State of Nebraska or its political subdivisions or
3 authorities which are Build America Bonds to the extent includable in
4 gross income for federal income tax purposes;

5 (b) There shall be subtracted that portion of the total dividends
6 and other income received from a regulated investment company which is
7 attributable to obligations described in subdivision (a) of this
8 subsection as reported to the recipient by the regulated investment
9 company;

10 (c) There shall be added interest or dividends received by the owner
11 of obligations of the District of Columbia, other states of the United
12 States, or their political subdivisions, authorities, commissions, or
13 instrumentalities to the extent excluded in the computation of gross
14 income for federal income tax purposes except that such interest or
15 dividends shall not be added if received by a corporation which is a
16 regulated investment company;

17 (d) There shall be added that portion of the total dividends and
18 other income received from a regulated investment company which is
19 attributable to obligations described in subdivision (c) of this
20 subsection and excluded for federal income tax purposes as reported to
21 the recipient by the regulated investment company; and

22 (e)(i) Any amount subtracted under this subsection shall be reduced
23 by any interest on indebtedness incurred to carry the obligations or
24 securities described in this subsection or the investment in the
25 regulated investment company and by any expenses incurred in the
26 production of interest or dividend income described in this subsection to
27 the extent that such expenses, including amortizable bond premiums, are
28 deductible in determining federal taxable income.

29 (ii) Any amount added under this subsection shall be reduced by any
30 expenses incurred in the production of such income to the extent
31 disallowed in the computation of federal taxable income.

1 (2) There shall be allowed a net operating loss derived from or
2 connected with Nebraska sources computed under rules and regulations
3 adopted and promulgated by the Tax Commissioner consistent, to the extent
4 possible under the Nebraska Revenue Act of 1967, with the laws of the
5 United States. For a resident individual, estate, or trust, the net
6 operating loss computed on the federal income tax return shall be
7 adjusted by the modifications contained in this section. For a
8 nonresident individual, estate, or trust or for a partial-year resident
9 individual, the net operating loss computed on the federal return shall
10 be adjusted by the modifications contained in this section and any
11 carryovers or carrybacks shall be limited to the portion of the loss
12 derived from or connected with Nebraska sources.

13 (3) There shall be subtracted from federal adjusted gross income for
14 all taxable years beginning on or after January 1, 1987, the amount of
15 any state income tax refund to the extent such refund was deducted under
16 the Internal Revenue Code, was not allowed in the computation of the tax
17 due under the Nebraska Revenue Act of 1967, and is included in federal
18 adjusted gross income.

19 (4) Federal adjusted gross income, or, for a fiduciary, federal
20 taxable income shall be modified to exclude the portion of the income or
21 loss received from a small business corporation with an election in
22 effect under subchapter S of the Internal Revenue Code or from a limited
23 liability company organized pursuant to the Nebraska Uniform Limited
24 Liability Company Act that is not derived from or connected with Nebraska
25 sources as determined in section 77-2734.01.

26 (5) There shall be subtracted from federal adjusted gross income or,
27 for corporations and fiduciaries, federal taxable income dividends
28 received or deemed to be received from corporations which are not subject
29 to the Internal Revenue Code.

30 (6) There shall be subtracted from federal taxable income a portion
31 of the income earned by a corporation subject to the Internal Revenue

1 Code of 1986 that is actually taxed by a foreign country or one of its
2 political subdivisions at a rate in excess of the maximum federal tax
3 rate for corporations. The taxpayer may make the computation for each
4 foreign country or for groups of foreign countries. The portion of the
5 taxes that may be deducted shall be computed in the following manner:

6 (a) The amount of federal taxable income from operations within a
7 foreign taxing jurisdiction shall be reduced by the amount of taxes
8 actually paid to the foreign jurisdiction that are not deductible solely
9 because the foreign tax credit was elected on the federal income tax
10 return;

11 (b) The amount of after-tax income shall be divided by one minus the
12 maximum tax rate for corporations in the Internal Revenue Code; and

13 (c) The result of the calculation in subdivision (b) of this
14 subsection shall be subtracted from the amount of federal taxable income
15 used in subdivision (a) of this subsection. The result of such
16 calculation, if greater than zero, shall be subtracted from federal
17 taxable income.

18 (7) Federal adjusted gross income shall be modified to exclude any
19 amount repaid by the taxpayer for which a reduction in federal tax is
20 allowed under section 1341(a)(5) of the Internal Revenue Code.

21 (8)(a) Federal adjusted gross income or, for corporations and
22 fiduciaries, federal taxable income shall be reduced, to the extent
23 included, by income from interest, earnings, and state contributions
24 received from the Nebraska educational savings plan trust created in
25 sections 85-1801 to 85-1817 and any account established under the
26 achieving a better life experience program as provided in sections
27 77-1401 to 77-1409.

28 (b) Federal adjusted gross income or, for corporations and
29 fiduciaries, federal taxable income shall be reduced by any contributions
30 as a participant in the Nebraska educational savings plan trust or
31 contributions to an account established under the achieving a better life

1 experience program made for the benefit of a beneficiary as provided in
2 sections 77-1401 to 77-1409, to the extent not deducted for federal
3 income tax purposes, but not to exceed five thousand dollars per married
4 filing separate return or ten thousand dollars for any other return. With
5 respect to a qualified rollover within the meaning of section 529 of the
6 Internal Revenue Code from another state's plan, any interest, earnings,
7 and state contributions received from the other state's educational
8 savings plan which is qualified under section 529 of the code shall
9 qualify for the reduction provided in this subdivision. For contributions
10 by a custodian of a custodial account including rollovers from another
11 custodial account, the reduction shall only apply to funds added to the
12 custodial account after January 1, 2014.

13 (c) For taxable years beginning or deemed to begin on or after
14 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
15 federal adjusted gross income shall be reduced, to the extent included in
16 the adjusted gross income of an individual, by the amount of any
17 contribution made by the individual's employer into an account under the
18 Nebraska educational savings plan trust owned by the individual, not to
19 exceed five thousand dollars per married filing separate return or ten
20 thousand dollars for any other return.

21 (d) Federal adjusted gross income or, for corporations and
22 fiduciaries, federal taxable income shall be increased by:

23 (i) The amount resulting from the cancellation of a participation
24 agreement refunded to the taxpayer as a participant in the Nebraska
25 educational savings plan trust to the extent previously deducted under
26 subdivision (8)(b) of this section; and

27 (ii) The amount of any withdrawals by the owner of an account
28 established under the achieving a better life experience program as
29 provided in sections 77-1401 to 77-1409 for nonqualified expenses to the
30 extent previously deducted under subdivision (8)(b) of this section.

31 (9)(a) For income tax returns filed after September 10, 2001, for

1 taxable years beginning or deemed to begin before January 1, 2006, under
2 the Internal Revenue Code of 1986, as amended, federal adjusted gross
3 income or, for corporations and fiduciaries, federal taxable income shall
4 be increased by eighty-five percent of any amount of any federal bonus
5 depreciation received under the federal Job Creation and Worker
6 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
7 under section 168(k) or section 1400L of the Internal Revenue Code of
8 1986, as amended, for assets placed in service after September 10, 2001,
9 and before December 31, 2005.

10 (b) For a partnership, limited liability company, cooperative,
11 including any cooperative exempt from income taxes under section 521 of
12 the Internal Revenue Code of 1986, as amended, limited cooperative
13 association, subchapter S corporation, or joint venture, the increase
14 shall be distributed to the partners, members, shareholders, patrons, or
15 beneficiaries in the same manner as income is distributed for use against
16 their income tax liabilities.

17 (c) For a corporation with a unitary business having activity both
18 inside and outside the state, the increase shall be apportioned to
19 Nebraska in the same manner as income is apportioned to the state by
20 section 77-2734.05.

21 (d) The amount of bonus depreciation added to federal adjusted gross
22 income or, for corporations and fiduciaries, federal taxable income by
23 this subsection shall be subtracted in a later taxable year. Twenty
24 percent of the total amount of bonus depreciation added back by this
25 subsection for tax years beginning or deemed to begin before January 1,
26 2003, under the Internal Revenue Code of 1986, as amended, may be
27 subtracted in the first taxable year beginning or deemed to begin on or
28 after January 1, 2005, under the Internal Revenue Code of 1986, as
29 amended, and twenty percent in each of the next four following taxable
30 years. Twenty percent of the total amount of bonus depreciation added
31 back by this subsection for tax years beginning or deemed to begin on or

1 after January 1, 2003, may be subtracted in the first taxable year
2 beginning or deemed to begin on or after January 1, 2006, under the
3 Internal Revenue Code of 1986, as amended, and twenty percent in each of
4 the next four following taxable years.

5 (10) For taxable years beginning or deemed to begin on or after
6 January 1, 2003, and before January 1, 2006, under the Internal Revenue
7 Code of 1986, as amended, federal adjusted gross income or, for
8 corporations and fiduciaries, federal taxable income shall be increased
9 by the amount of any capital investment that is expensed under section
10 179 of the Internal Revenue Code of 1986, as amended, that is in excess
11 of twenty-five thousand dollars that is allowed under the federal Jobs
12 and Growth Tax Act of 2003. Twenty percent of the total amount of
13 expensing added back by this subsection for tax years beginning or deemed
14 to begin on or after January 1, 2003, may be subtracted in the first
15 taxable year beginning or deemed to begin on or after January 1, 2006,
16 under the Internal Revenue Code of 1986, as amended, and twenty percent
17 in each of the next four following tax years.

18 (11)(a) For taxable years beginning or deemed to begin before
19 January 1, 2018, under the Internal Revenue Code of 1986, as amended,
20 federal adjusted gross income shall be reduced by contributions, up to
21 two thousand dollars per married filing jointly return or one thousand
22 dollars for any other return, and any investment earnings made as a
23 participant in the Nebraska long-term care savings plan under the Long-
24 Term Care Savings Plan Act, to the extent not deducted for federal income
25 tax purposes.

26 (b) For taxable years beginning or deemed to begin before January 1,
27 2018, under the Internal Revenue Code of 1986, as amended, federal
28 adjusted gross income shall be increased by the withdrawals made as a
29 participant in the Nebraska long-term care savings plan under the act by
30 a person who is not a qualified individual or for any reason other than
31 transfer of funds to a spouse, long-term care expenses, long-term care

1 insurance premiums, or death of the participant, including withdrawals
2 made by reason of cancellation of the participation agreement, to the
3 extent previously deducted as a contribution or as investment earnings.

4 (12) There shall be added to federal adjusted gross income for
5 individuals, estates, and trusts any amount taken as a credit for
6 franchise tax paid by a financial institution under sections 77-3801 to
7 77-3807 as allowed by subsection (5) of section 77-2715.07.

8 (13)(a) For taxable years beginning or deemed to begin on or after
9 January 1, 2015, and before January 1, 2024, under the Internal Revenue
10 Code of 1986, as amended, federal adjusted gross income shall be reduced
11 by the amount received as benefits under the federal Social Security Act
12 which are included in the federal adjusted gross income if:

13 (i) For taxpayers filing a married filing joint return, federal
14 adjusted gross income is fifty-eight thousand dollars or less; or

15 (ii) For taxpayers filing any other return, federal adjusted gross
16 income is forty-three thousand dollars or less.

17 (b) For taxable years beginning or deemed to begin on or after
18 January 1, 2020, and before January 1, 2024, under the Internal Revenue
19 Code of 1986, as amended, the Tax Commissioner shall adjust the dollar
20 amounts provided in subdivisions (13)(a)(i) and (ii) of this section by
21 the same percentage used to adjust individual income tax brackets under
22 subsection (3) of section 77-2715.03.

23 (c) For taxable years beginning or deemed to begin on or after
24 January 1, 2021, and before January 1, 2024, under the Internal Revenue
25 Code of 1986, as amended, a taxpayer may claim the reduction to federal
26 adjusted gross income allowed under this subsection or the reduction to
27 federal adjusted gross income allowed under subsection (14) of this
28 section, whichever provides the greater reduction.

29 (14)(a) For taxable years beginning or deemed to begin on or after
30 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
31 federal adjusted gross income shall be reduced by a percentage of the

1 social security benefits that are received and included in federal
2 adjusted gross income. The pertinent percentage shall be:

3 (i) Five percent for taxable years beginning or deemed to begin on
4 or after January 1, 2021, and before January 1, 2022, under the Internal
5 Revenue Code of 1986, as amended;

6 (ii) Forty percent for taxable years beginning or deemed to begin on
7 or after January 1, 2022, and before January 1, 2023, under the Internal
8 Revenue Code of 1986, as amended;

9 (iii) Sixty percent for taxable years beginning or deemed to begin
10 on or after January 1, 2023, and before January 1, 2024, under the
11 Internal Revenue Code of 1986, as amended; and

12 (iv) One hundred percent for taxable years beginning or deemed to
13 begin on or after January 1, 2024, under the Internal Revenue Code of
14 1986, as amended.

15 (b) For purposes of this subsection, social security benefits means
16 benefits received under the federal Social Security Act.

17 (c) For taxable years beginning or deemed to begin on or after
18 January 1, 2021, and before January 1, 2024, under the Internal Revenue
19 Code of 1986, as amended, a taxpayer may claim the reduction to federal
20 adjusted gross income allowed under this subsection or the reduction to
21 federal adjusted gross income allowed under subsection (13) of this
22 section, whichever provides the greater reduction.

23 (15)(a) For taxable years beginning or deemed to begin on or after
24 January 1, 2015, and before January 1, 2022, under the Internal Revenue
25 Code of 1986, as amended, an individual may make a one-time election
26 within two calendar years after the date of his or her retirement from
27 the military to exclude income received as a military retirement benefit
28 by the individual to the extent included in federal adjusted gross income
29 and as provided in this subdivision. The individual may elect to exclude
30 forty percent of his or her military retirement benefit income for seven
31 consecutive taxable years beginning with the year in which the election

1 is made or may elect to exclude fifteen percent of his or her military
2 retirement benefit income for all taxable years beginning with the year
3 in which he or she turns sixty-seven years of age.

4 (b) For taxable years beginning or deemed to begin on or after
5 January 1, 2022, under the Internal Revenue Code of 1986, as amended, an
6 individual may exclude one hundred percent of the military retirement
7 benefit income received by such individual to the extent included in
8 federal adjusted gross income.

9 (c) For purposes of this subsection, military retirement benefit
10 means retirement benefits that are periodic payments attributable to
11 service in the uniformed services of the United States for personal
12 services performed by an individual prior to his or her retirement. The
13 term includes retirement benefits described in this subdivision that are
14 reported to the individual on either:

15 (i) An Internal Revenue Service Form 1099-R received from the United
16 States Department of Defense; or

17 (ii) An Internal Revenue Service Form 1099-R received from the
18 United States Office of Personnel Management.

19 (16) For taxable years beginning or deemed to begin on or after
20 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
21 federal adjusted gross income shall be reduced by the amount received as
22 a Segal AmeriCorps Education Award, to the extent such amount is included
23 in federal adjusted gross income.

24 (17) For taxable years beginning or deemed to begin on or after
25 January 1, 2022, under the Internal Revenue Code of 1986, as amended,
26 federal adjusted gross income shall be reduced by the amount received by
27 or on behalf of a firefighter for cancer benefits under the Firefighter
28 Cancer Benefits Act to the extent included in federal adjusted gross
29 income.

30 (18) There shall be subtracted from the federal adjusted gross
31 income of individuals any amount received by the individual as student

1 loan repayment assistance under the Teach in Nebraska Today Act, to the
2 extent such amount is included in federal adjusted gross income.

3 (19) For taxable years beginning or deemed to begin on or after
4 January 1, 2023, under the Internal Revenue Code of 1986, as amended, a
5 retired individual who was employed full time as a firefighter or
6 certified law enforcement officer for at least twenty years and who is at
7 least sixty years of age as of the end of the taxable year may reduce his
8 or her federal adjusted gross income by the amount of health insurance
9 premiums paid by such individual during the taxable year, to the extent
10 such premiums were not already deducted in determining the individual's
11 federal adjusted gross income.

12 (20) For taxable years beginning or deemed to begin on or after
13 January 1, 2024, under the Internal Revenue Code of 1986, as amended, an
14 individual may reduce his or her federal adjusted gross income by the
15 amounts received as annuities under ~~the Federal Employees Retirement~~
16 ~~System~~ or the Civil Service Retirement System which were earned for being
17 employed by the federal government, to the extent such amounts are
18 included in federal adjusted gross income.

19 Sec. 74. Section 77-3002, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 77-3002 (1) Any operator shall be required to procure an annual
22 license from the Tax Commissioner permitting him or her to operate
23 machines or devices within the State of Nebraska. The Tax Commissioner,
24 upon the application of any person, may issue a license, except that if
25 the applicant (a) is not of good character and reputation in the
26 community in which he or she resides, (b) has been convicted of or has
27 pleaded guilty to a felony under the laws of the State of Nebraska, any
28 other state, or of the United States, or (c) has been convicted of or has
29 pleaded guilty to being the proprietor of a gambling house, or of any
30 other crime or misdemeanor opposed to decency and morality, no license
31 shall be issued. If the applicant is a corporation whose majority

1 stockholders could not obtain a license, then such corporation shall not
2 be issued a license. If the applicant is an individual, the application
3 shall include the applicant's social security number. Procuring a license
4 shall constitute sufficient contact with this state for the exercise of
5 personal jurisdiction over such person in any action arising out of the
6 operation of machines or devices in this state.

7 (2)(a) For the period beginning July 1, 1998, through December 31,
8 1999, if the applicant operates ten or more machines, the application
9 shall be accompanied by a fee of two hundred fifty dollars, and such
10 license will remain in effect until December 31, 1999. If the applicant
11 operates fewer than ten machines, no fee is due. Any licensee that places
12 additional machines into operation during this period which results in a
13 total of ten or more machines in operation becomes subject to the two-
14 hundred-fifty-dollar fee.

15 (b) Beginning January 1, 2000, the application shall be filed on or
16 before January 1 of each year, and no license fee will be required.

17 (3) Beginning on the implementation date designated by the Tax
18 Commissioner pursuant to subsection (2) of section 44 of this act, prior
19 to the winnings payment of any cash device winnings as defined in section
20 35 of this act, an operator of a cash device shall check the collection
21 system to determine if the winner has a debt or an outstanding state tax
22 liability as required by the Gambling Winnings Setoff for Outstanding
23 Debt Act. If such operator determines that the winner is subject to the
24 collection system, the operator shall deduct the amount of debt and
25 outstanding state tax liability identified in the collection system from
26 the winnings payment and shall remit the net winnings payment of cash
27 device winnings, if any, to the winner and the amount deducted to the
28 Department of Revenue to be credited against such debt or outstanding
29 state tax liability as provided in section 38 of this act.

30 Sec. 75. Section 77-3003, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 77-3003 (1) Any distributor shall be required to procure an annual
2 license from the Tax Commissioner permitting him or her to sell, lease,
3 or deliver possession or custody of a machine or device within the State
4 of Nebraska. The Tax Commissioner, upon the application of any person,
5 may issue a license, subject to the same limitations as an operator's
6 license under section 77-3002. If the applicant is an individual, the
7 application shall include the applicant's social security number. For
8 applications filed for the period beginning July 1, 1998, through
9 December 31, 1999, such application shall be accompanied by a fee of two
10 hundred fifty dollars, and the license shall remain in effect until
11 December 31, 1999. Beginning January 1, 2000, the application shall be
12 filed on or before January 1 of each year, and no license fee will be
13 required.

14 (2) Beginning on the implementation date designated by the Tax
15 Commissioner pursuant to subsection (2) of section 44 of this act, prior
16 to the winnings payment of any cash device winnings as defined in section
17 35 of this act, a distributor of a cash device shall check the collection
18 system to determine if the winner has a debt or an outstanding state tax
19 liability as required by the Gambling Winnings Setoff for Outstanding
20 Debt Act. If such distributor determines that the winner is subject to
21 the collection system, the distributor shall deduct the amount of debt
22 and outstanding state tax liability identified in the collection system
23 from the winnings payment and shall remit the net winnings payment of
24 cash device winnings, if any, to the winner and the amount deducted to
25 the Department of Revenue to be credited against such debt or outstanding
26 state tax liability as provided in section 38 of this act.

27 Sec. 76. Section 77-3011, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 77-3011 Sections 77-3001 to 77-3011 and section 77 of this act shall
30 be known and may be cited as the Mechanical Amusement Device Tax Act.

31 Sec. 77. Beginning on the implementation date designated by the Tax

1 Commissioner pursuant to subsection (2) of section 44 of this act, prior
2 to the winnings payment of any cash device winnings as defined in section
3 35 of this act, a manufacturer of a cash device that makes winnings
4 payments shall check the collection system to determine if the winner has
5 a debt or an outstanding state tax liability as required by the Gambling
6 Winnings Setoff for Outstanding Debt Act. If such manufacturer determines
7 that the winner is subject to the collection system, the manufacturer
8 shall deduct the amount of debt and outstanding state tax liability
9 identified in the collection system from the winnings payment and shall
10 remit the net winnings payment of cash device winnings, if any, to the
11 winner and the amount deducted to the Department of Revenue to be
12 credited against such debt or outstanding state tax liability as provided
13 in section 38 of this act.

14 Sec. 78. Section 77-4405, Revised Statutes Supplement, 2023, is
15 amended to read:

16 77-4405 (1) If the department finds that the project described in
17 the application meets the eligibility requirements of this section, the
18 application shall be approved.

19 (2) A project is eligible if:

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

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

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

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

29 (iv) One hundred million dollars 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 less than one hundred thousand inhabitants;

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

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

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

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

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

13 (c)(i) For a project that will be located in a county with a
14 population of one hundred thousand inhabitants or more, the applicant
15 demonstrates that, upon completion of the project, at least twenty
16 percent of sales at the project will be made to persons residing outside
17 the State of Nebraska or the project will generate a minimum of six
18 hundred thousand visitors per year who reside outside the State of
19 Nebraska and the project will attract new-to-market retail to the state
20 and will generate a minimum of three million visitors per year; or

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

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

30 (4) A project is not eligible if the project includes a licensed
31 racetrack enclosure or an authorized gaming operator as such terms are

1 defined in section 9-1103, except that this subsection shall not apply to
2 infrastructure or facilities that are (a) publicly owned or (b) used by
3 or at the direction of the Nebraska State Fair Board, so long as no
4 gaming devices or games of chance are expected to be operated by an
5 authorized gaming operator within any such facilities.

6 (5) Approval of an application under this section shall establish
7 the good life district as that area depicted in the map accompanying the
8 application as submitted pursuant to subdivision (1)(b) of section
9 77-4404. Such district shall last for thirty ~~twenty-five~~ years and shall
10 not exceed two thousand acres in size if in a city of the metropolitan
11 class or three thousand acres in size if in any other class of city or
12 village.

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

16 (7) After establishment of a good life district pursuant to this
17 section, an applicant may adjust the boundaries of the district by filing
18 an amended map with the department. The department shall approve the new
19 boundaries if the applicant provides information which (a) shows that no
20 area being removed from the district is generating material revenue that
21 has been pledged for payment of bonds issued pursuant to the Good Life
22 District Economic Development Act and (b) for any area being added to the
23 district, describes the visitation expectations and how the jobs and
24 taxes obtained from the new area will contribute to the good life
25 district and the economic development of the state and region. Nothing in
26 this subsection shall give the department the authority to revoke or
27 reduce the size of any existing good life district which has been
28 previously established pursuant to this section.

29 (8) After establishment of a good life district pursuant to this
30 section and after any modification is made to the boundaries of a good
31 life district pursuant to this section, the department shall transmit to

1 any city or village which includes such good life district within its
2 boundaries or within its extraterritorial zoning jurisdiction (a) all
3 information held by the department related to the application and
4 approval of the application, (b) all documentation which describes the
5 property included within the good life district, and (c) all
6 documentation transmitted to the applicant for such good life district
7 with approval of the application and establishment of the good life
8 district. Such city or village shall be subject to the same
9 confidentiality restrictions as provided in subsection (3) of section
10 77-4404.

11 Sec. 79. Section 77-5005, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 77-5005 (1) Within ten days after appointment, the commissioners
14 shall meet at their office in Lincoln, Nebraska, and enter upon the
15 duties of their office.

16 (2) A majority of the commission shall ~~at all times~~ constitute a
17 quorum to transact business, and one vacancy shall not impair the right
18 of the remaining commissioners to exercise all the powers of the
19 commission, except that two commissioners shall constitute a quorum to
20 hear and determine any appeals or petitions.

21 (3) Any investigation, inquiry, or hearing held or undertaken by the
22 commission may be held or undertaken by a single commissioner in those
23 appeals designated for hearing pursuant to section 77-5015.02.

24 (4) All investigations, inquiries, hearings, and decisions of a
25 single commissioner and every order made by a single commissioner shall
26 be deemed to be the order of the commission, except as provided in
27 subsection (6) of section 77-5015.02. The full commission, on an
28 application made within thirty days after the date of an order, may grant
29 a rehearing and determine de novo any decisions of or orders made by the
30 commission. The commission, on an application made within thirty days
31 after the date of an order issued after a hearing by a single

1 commissioner, except for an order dismissing an appeal or petition for
2 failure of the appellant or petitioner to appear at a hearing on the
3 merits, shall grant a rehearing on the merits before the commission. The
4 thirty-day filing period for appeals under subsection (2) of section
5 77-5019 shall be tolled while a motion for rehearing is pending.

6 (5) All hearings or proceedings of the commission shall be open to
7 the public.

8 (6) The Open Meetings Act applies only to hearings or proceedings of
9 the commission held pursuant to the rulemaking authority of the
10 commission.

11 Sec. 80. Section 77-5017, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 77-5017 (1) In resolving an appeal or petition, the commission may
14 make such orders as are appropriate for resolving the dispute but in no
15 case shall the relief be excessive compared to the problems addressed.
16 The commission may make prospective orders requiring changes in
17 assessment practices which will improve assessment practices or affect
18 the general level of assessment or the measures of central tendency in a
19 positive way. If no other relief is adequate to resolve disputes, the
20 commission may order a reappraisal of property within a county, an area
21 within a county, or classes or subclasses of property within a county.

22 (2) In an appeal specified in subdivision (10) or (11) of section
23 77-5016 for which the commission determines exempt property to be
24 taxable, the commission shall order the county board of equalization to
25 determine the taxable value of the property, unless the parties stipulate
26 to such taxable value during the hearing before the commission. The order
27 shall require the county board of equalization to determine the taxable
28 value of the property pursuant to section 77-1507, send notice of the
29 taxable value pursuant to section 77-1507 within ninety days after the
30 date the commission's order is certified pursuant to section 77-5018, and
31 apply interest at the rate specified in section 45-104.01, but not

1 penalty, to the taxable value beginning thirty days after ~~as of~~ the date
2 the commission's order was issued or the date the taxes were delinquent,
3 whichever is later.

4 (3) A determination of the taxable value of the property made by the
5 county board of equalization pursuant to subsection (2) of this section
6 may be appealed to the commission within thirty days after the board's
7 decision as provided in section 77-1507.

8 Sec. 81. Section 77-5018, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 77-5018 (1) The commission may issue decisions and orders which are
11 supported by the evidence and appropriate for resolving the matters in
12 dispute. Every final decision and order adverse to a party to the
13 proceeding, rendered by the commission in a case appealed to the
14 commission, shall be in writing or stated in the record and shall be
15 accompanied by findings of fact and conclusions of law. The findings of
16 fact shall consist of a concise statement of the conclusions upon each
17 contested issue of fact. Parties to the proceeding shall be notified of
18 the decision and order in person or by mail. A copy of the decision and
19 order shall be delivered or mailed to each party or his or her attorney
20 of record. Within seven days of issuing a decision and order, the
21 commission shall electronically publish such decision and order on a
22 website maintained by the commission that is accessible to the general
23 public. The full text of final decisions and orders shall be published on
24 the website, except that final decisions and orders that are entered (a)
25 on a dismissal by the appellant or petitioner, (b) on a default order
26 when the appellant or petitioner failed to appear, (c) by agreement of
27 the parties, or (d) by a single commissioner pursuant to section
28 77-5015.02 may be published on the website in a summary manner
29 identifying the parties, the case number, and the basis for the final
30 decision and order. Any decision rendered by the commission shall be
31 certified to the county treasurer and to the officer charged with the

1 duty of preparing the tax list, and if and when such decision becomes
2 final, such officers shall correct their records accordingly and the tax
3 list pursuant to section 77-1613.02. If the final decision results in
4 taxes due in excess of the original amount and interest at the rate
5 specified in section 45-104.01 is applied, the interest shall not begin
6 to accrue until thirty days after the decision is certified to the county
7 treasurer.

8 (2) The commission may, on its own motion, modify or change its
9 findings or orders, at any time before an appeal and within ten days
10 after the date of such findings or orders, for the purpose of correcting
11 any ambiguity, clerical error, or patent or obvious error. The time for
12 appeal shall not be lengthened because of the correction unless the
13 correction substantially changes the findings or order.

14 (3) The Tax Commissioner or the Property Tax Administrator shall
15 have thirty days after a final decision of the commission to appeal the
16 commission's decision pursuant to section 77-5019.

17 Sec. 82. Section 77-5601, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 77-5601 (1) From August 1, 2004, through October 31, 2004, there
20 shall be conducted a tax amnesty program with regard to taxes due and
21 owing that have not been reported to the Department of Revenue. Any
22 person applying for tax amnesty shall pay all unreported taxes that were
23 due on or before April 1, 2004. Any person that applies for tax amnesty
24 and is accepted by the Tax Commissioner shall have any penalties and
25 interest waived on unreported and delinquent taxes notwithstanding any
26 other provisions of law to the contrary.

27 (2) To be eligible for the tax amnesty provided by this section, the
28 person shall apply for amnesty within the amnesty period, file a return
29 for each taxable period for which the amnesty is requested by December
30 31, 2004, if no return has been filed, and pay in full all taxes for
31 which amnesty is sought with the return or within thirty days after the

1 application if a return was filed prior to the amnesty period. Tax
2 amnesty shall not be available for any person that is under civil or
3 criminal audit, investigation, or prosecution for unreported or
4 delinquent taxes by this state or the United States Government on or
5 before April 16, 2004.

6 (3) The department shall not seek civil or criminal prosecution
7 against any person for any taxable period for which amnesty has been
8 granted. The Tax Commissioner shall develop forms for applying for the
9 tax amnesty program, develop procedures for qualification for tax
10 amnesty, and conduct a public awareness campaign publicizing the program.

11 (4) If a person elects to participate in the amnesty program, the
12 election shall constitute an express and irrevocable relinquishment of
13 all administrative and judicial rights to challenge the imposition of the
14 tax or its amount. Nothing in this section shall prohibit the department
15 from adjusting a return as a result of any state or federal audit.

16 (5)(a) Except for any local option sales tax collected and returned
17 to the appropriate municipality and any motor vehicle fuel, diesel fuel,
18 and compressed fuel taxes, which shall be deposited in the Highway Trust
19 Fund or Highway Allocation Fund as provided by law, no less than eighty
20 percent of all revenue received pursuant to the tax amnesty program shall
21 be deposited in the General Fund and ten percent, not to exceed five
22 hundred thousand dollars, shall be deposited in the Department of Revenue
23 Enforcement Fund. Any amount that would otherwise be deposited in the
24 Department of Revenue Enforcement Fund that is in excess of the five-
25 hundred-thousand-dollar limitation shall be deposited in the General
26 Fund.

27 (b) For fiscal year 2005-06, all proceeds in the Department of
28 Revenue Enforcement Fund shall be appropriated to the department for
29 purposes of employing investigators, agents, and auditors and otherwise
30 increasing personnel for enforcement of the Nebraska Revenue Act of 1967.

31 (c) For fiscal years after fiscal year 2005-06, twenty percent of

1 all proceeds received during the previous calendar year due to the
2 efforts of auditors and investigators hired pursuant to subdivision (5)
3 (b) of this section, not to exceed seven hundred fifty thousand dollars,
4 shall be deposited in the Department of Revenue Enforcement Fund for
5 purposes of employing investigators and auditors or continuing such
6 employment for purposes of increasing enforcement of the act.

7 (d) Ten percent of all proceeds received during each calendar year
8 due to the contracts entered into pursuant to section 77-367 shall be
9 deposited in the Department of Revenue Enforcement Fund for purposes of
10 identifying nonfilers of returns, underreporters, nonpayers of taxes, and
11 improper or fraudulent payments.

12 (6)(a) The department shall prepare a report by April 1, 2005, and
13 by February 1 of each year thereafter detailing the results of the tax
14 amnesty program and the subsequent enforcement efforts. For the report
15 due April 1, 2005, the report shall include (i) the amount of revenue
16 obtained as a result of the tax amnesty program broken down by tax
17 program, (ii) the amount obtained from instate taxpayers and from out-of-
18 state taxpayers, and (iii) the amount obtained from individual taxpayers
19 and from business enterprises.

20 (b) For reports due in subsequent years, the report shall include
21 (i) the number of personnel hired for purposes of subdivision (5)(b) of
22 this section and their duties, (ii) a description of lists, software,
23 programming, computer equipment, and other technological methods acquired
24 and the purposes of each, and (iii) the amount of new revenue obtained as
25 a result of the new personnel and acquisitions during the prior calendar
26 year, broken down into the same categories as described in subdivision
27 (6)(a) of this section.

28 (7) The Department of Revenue Enforcement Fund is created. Transfers
29 may be made from the Department of Revenue Enforcement Fund to the
30 General Fund at the direction of the Legislature. The Department of
31 Revenue Enforcement Fund may receive transfers from the Civic and

1 Community Center Financing Fund at the direction of the Legislature for
2 the purpose of administering the Sports Arena Facility Financing
3 Assistance Act. The Department of Revenue Enforcement Fund shall include
4 any money credited to the fund (a) under section 77-2703, and such money
5 shall be used by the Department of Revenue to defray the costs incurred
6 to implement Laws 2019, LB237, (b) under the Mechanical Amusement Device
7 Tax Act, and such money shall be used by the department to defray the
8 costs incurred to implement and enforce Laws 2019, LB538, and any rules
9 and regulations adopted and promulgated to carry out Laws 2019, LB538,
10 ~~and~~ (c) under section 77-2906, and such money shall be used by the
11 Department of Revenue to defray the costs incurred to implement Laws
12 2020, LB310, and (d) under section 28 of this act. Any money in the
13 Department of Revenue Enforcement Fund available for investment shall be
14 invested by the state investment officer pursuant to the Nebraska Capital
15 Expansion Act and the Nebraska State Funds Investment Act.

16 (8) For purposes of this section, taxes mean any taxes collected by
17 the department, including, but not limited to state and local sales and
18 use taxes, individual and corporate income taxes, financial institutions
19 deposit taxes, motor vehicle fuel, diesel fuel, and compressed fuel
20 taxes, cigarette taxes, transfer taxes, and charitable gaming taxes.

21 Sec. 83. Section 77-6831, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 77-6831 (1) A taxpayer shall be entitled to the sales and use tax
24 incentives contained in subsection (2) of this section if the taxpayer:

25 (a) Attains a cumulative investment in qualified property of at
26 least five million dollars and hires at least thirty new employees at the
27 qualified location or locations before the end of the ramp-up period;

28 (b) Attains a cumulative investment in qualified property of at
29 least two hundred fifty million dollars and hires at least two hundred
30 fifty new employees at the qualified location or locations before the end
31 of the ramp-up period; or

1 (c) Attains a cumulative investment in qualified property of at
2 least fifty million dollars at the qualified location or locations before
3 the end of the ramp-up period. To receive incentives under this
4 subdivision, the taxpayer must meet the following conditions:

5 (i) The average compensation of the taxpayer's employees at the
6 qualified location or locations for each year of the performance period
7 must equal at least one hundred fifty percent of the Nebraska statewide
8 average hourly wage for the year of application;

9 (ii) The taxpayer must offer to its employees who constitute full-
10 time employees as defined and described in section 4980H of the Internal
11 Revenue Code of 1986, as amended, and the regulations for such section,
12 at the qualified location or locations for each year of the performance
13 period, the opportunity to enroll in minimum essential coverage under an
14 eligible employer-sponsored plan, as those terms are defined and
15 described in section 5000A of the Internal Revenue Code of 1986, as
16 amended, and the regulations for such section; and

17 (iii) The taxpayer must offer a sufficient package of benefits as
18 described in subdivision (1)(j) of section 77-6828.

19 (2) A taxpayer meeting the requirements of subsection (1) of this
20 section shall be entitled to the following sales and use tax incentives:

21 (a) A refund of all sales and use taxes paid under the Local Option
22 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
23 Payment Act, and sections 13-319, 13-324, and 13-2813 from the date of
24 the complete application through the meeting of the required levels of
25 employment and investment for all purchases, including rentals, of:

26 (i) Qualified property used at the qualified location or locations;

27 (ii) Property, excluding motor vehicles, based in this state and
28 used in both this state and another state in connection with the
29 qualified location or locations except when any such property is to be
30 used for fundraising for or for the transportation of an elected
31 official;

1 (iii) Tangible personal property by a contractor or repairperson
2 after appointment as a purchasing agent of the owner of the improvement
3 to real estate when such property is incorporated into real estate at the
4 qualified location or locations. The refund shall be based on fifty
5 percent of the contract price, excluding any land, as the cost of
6 materials subject to the sales and use tax;

7 (iv) Tangible personal property by a contractor or repairperson
8 after appointment as a purchasing agent of the taxpayer when such
9 property is annexed to, but not incorporated into, real estate at the
10 qualified location or locations. The refund shall be based on the cost of
11 materials subject to the sales and use tax that were annexed to real
12 estate; and

13 (v) Tangible personal property by a contractor or repairperson after
14 appointment as a purchasing agent of the taxpayer when such property is
15 both (A) incorporated into real estate at the qualified location or
16 locations and (B) annexed to, but not incorporated into, real estate at
17 the qualified location or locations. The refund shall be based on fifty
18 percent of the contract price, excluding any land, as the cost of
19 materials subject to the sales and use tax; and

20 (b) An exemption from all sales and use taxes under the Local Option
21 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
22 Payment Act, and sections 13-319, 13-324, and 13-2813 on the types of
23 purchases, including rentals, listed in subdivision (a) of this
24 subsection for such purchases, including rentals, occurring during each
25 year of the performance period in which the taxpayer is at or above the
26 required levels of employment and investment, except that the exemption
27 shall be for the actual materials purchased with respect to subdivisions
28 (2)(a)(iii), (iv), and (v) of this section. The Tax Commissioner shall
29 issue such rules, regulations, certificates, and forms as are appropriate
30 to implement the efficient use of this exemption.

31 (3)(a) Upon execution of the agreement, the taxpayer shall be issued

1 a direct payment permit under section 77-2705.01, notwithstanding the
2 three million dollars in purchases limitation in subsection (1) of
3 section 77-2705.01, for each qualified location specified in the
4 agreement, unless the taxpayer has opted out of this requirement in the
5 agreement. For any taxpayer who is issued a direct payment permit, until
6 such taxpayer makes the investment in qualified property and hires the
7 new employees at the qualified location or locations as specified in
8 subsection (1) of this section, the taxpayer must pay and remit any
9 applicable sales and use taxes as required by the Tax Commissioner.

10 (b) If the taxpayer makes the investment in qualified property and
11 hires the new employees at the qualified location or locations as
12 specified in subsection (1) of this section, the taxpayer shall receive
13 the sales tax refunds described in subdivision (2)(a) of this section.
14 For any year in which the taxpayer is not at the required levels of
15 employment and investment, the taxpayer shall report all sales and use
16 taxes owed for the period on the taxpayer's tax return.

17 (4) The taxpayer shall be entitled to one of the following credits
18 for payment of wages to new employees:

19 (a)(i) If a taxpayer attains a cumulative investment in qualified
20 property of at least one million dollars and hires at least ten new
21 employees at the qualified location or locations before the end of the
22 ramp-up period, the taxpayer shall be entitled to a credit equal to four
23 percent times the average wage of new employees times the number of new
24 employees. Wages in excess of one million dollars paid to any one
25 employee during the year shall be excluded from the calculations under
26 this subdivision;

27 (ii) If the taxpayer attains a cumulative investment in qualified
28 property of at least one million dollars and hires at least ten new
29 employees at the qualified location or locations before the end of the
30 ramp-up period and the number of new employees and investment are at a
31 qualified location in a county in Nebraska with a population of one

1 hundred thousand or greater, and at which the majority of the business
2 activities conducted are described in subdivision (1)(a) or (1)(n) of
3 section 77-6818, the taxpayer shall be entitled to a credit equal to four
4 percent times the average wage of new employees times the number of new
5 employees. Wages in excess of one million dollars paid to any one
6 employee during the year shall be excluded from the calculations under
7 this subdivision; or

8 (iii) If the taxpayer attains a cumulative investment in qualified
9 property of at least one million dollars and hires at least ten new
10 employees at the qualified location or locations before the end of the
11 ramp-up period and the number of new employees and investment are at a
12 qualified location or locations within one or more counties in Nebraska
13 that each have a population of less than one hundred thousand, and at
14 which the majority of the business activities conducted are described in
15 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
16 entitled to a credit equal to six percent times the average wage of new
17 employees times the number of new employees. For purposes of meeting the
18 ten-employee requirement of this subdivision, the number of new employees
19 shall be multiplied by two. Wages in excess of one million dollars paid
20 to any one employee during the year shall be excluded from the
21 calculations under this subdivision;

22 (b) If a taxpayer hires at least twenty new employees at the
23 qualified location or locations before the end of the ramp-up period, the
24 taxpayer shall be entitled to a credit equal to five percent times the
25 average wage of new employees times the number of new employees if the
26 average wage of the new employees equals at least one hundred percent of
27 the Nebraska statewide average hourly wage for the year of application.
28 The credit shall equal seven percent times the average wage of new
29 employees times the number of new employees if the average wage of the
30 new employees equals at least one hundred fifty percent of the Nebraska
31 statewide average hourly wage for the year of application. The credit

1 shall equal nine percent times the average wage of new employees times
2 the number of new employees if the average wage of the new employees
3 equals at least two hundred percent of the Nebraska statewide average
4 hourly wage for the year of application. Wages in excess of one million
5 dollars paid to any one employee during the year shall be excluded from
6 the calculations under this subdivision;

7 (c) If a taxpayer attains a cumulative investment in qualified
8 property of at least five million dollars and hires at least thirty new
9 employees at the qualified location or locations before the end of the
10 ramp-up period, the taxpayer shall be entitled to a credit equal to five
11 percent times the average wage of new employees times the number of new
12 employees if the average wage of the new employees equals at least one
13 hundred percent of the Nebraska statewide average hourly wage for the
14 year of application. The credit shall equal seven percent times the
15 average wage of new employees times the number of new employees if the
16 average wage of the new employees equals at least one hundred fifty
17 percent of the Nebraska statewide average hourly wage for the year of
18 application. The credit shall equal nine percent times the average wage
19 of new employees times the number of new employees if the average wage of
20 the new employees equals at least two hundred percent of the Nebraska
21 statewide average hourly wage for the year of application. Wages in
22 excess of one million dollars paid to any one employee during the year
23 shall be excluded from the calculations under this subdivision;

24 (d) If a taxpayer attains a cumulative investment in qualified
25 property of at least two hundred fifty million dollars and hires at least
26 two hundred fifty new employees at the qualified location or locations
27 before the end of the ramp-up period, the taxpayer shall be entitled to a
28 credit equal to seven percent times the average wage of new employees
29 times the number of new employees if the average wage of the new
30 employees equals at least one hundred fifty percent of the Nebraska
31 statewide average hourly wage for the year of application. The credit

1 shall equal nine percent times the average wage of new employees times
2 the number of new employees if the average wage of the new employees
3 equals at least two hundred percent of the Nebraska statewide average
4 hourly wage for the year of application. Wages in excess of one million
5 dollars paid to any one employee during the year shall be excluded from
6 the calculations under this subdivision; or

7 (e) If a taxpayer attains a cumulative investment in qualified
8 property of at least two hundred fifty thousand dollars but less than one
9 million dollars and hires at least five new employees at the qualified
10 location or locations before the end of the ramp-up period and the number
11 of new employees and investment are at a qualified location within an
12 economic redevelopment area, the taxpayer shall be entitled to a credit
13 equal to six percent times the average wage of new employees times the
14 number of new employees if the average wage of the new employees equals
15 at least seventy percent of the Nebraska statewide average hourly wage
16 for the year of application. Wages in excess of one million dollars paid
17 to any one employee during the year shall be excluded from the
18 calculations under this subdivision. For purposes of this subdivision,
19 economic redevelopment area means an area in which (i) the average rate
20 of unemployment in the area during the period covered by the most recent
21 federal decennial census or American Community Survey 5-Year Estimate is
22 at least one hundred fifty percent of the average rate of unemployment in
23 the state during the same period and (ii) the average poverty rate in the
24 area exceeds twenty percent for the total federal census tract or tracts
25 or federal census block group or block groups in the area.

26 (5) The taxpayer shall be entitled to one of the following credits
27 for new investment:

28 (a)(i) If a taxpayer attains a cumulative investment in qualified
29 property of at least one million dollars and hires at least ten new
30 employees at the qualified location or locations before the end of the
31 ramp-up period, the taxpayer shall be entitled to a credit equal to four

1 percent of the investment made in qualified property at the qualified
2 location or locations;

3 (ii) If the taxpayer attains a cumulative investment in qualified
4 property of at least one million dollars and hires at least ten new
5 employees at the qualified location or locations before the end of the
6 ramp-up period and the number of new employees and investment are at a
7 qualified location in a county in Nebraska with a population of one
8 hundred thousand or greater, and at which the majority of the business
9 activities conducted are described in subdivision (1)(a) or (1)(n) of
10 section 77-6818, the taxpayer shall be entitled to a credit equal to four
11 percent of the investment made in qualified property at the qualified
12 location or locations unless the cumulative investment exceeds ten
13 million dollars, in which case the taxpayer shall be entitled to a credit
14 equal to seven percent of the investment made in qualified property at
15 the qualified location or locations; or

16 (iii) If the taxpayer attains a cumulative investment in qualified
17 property of at least one million dollars and hires at least ten new
18 employees at the qualified location or locations before the end of the
19 ramp-up period and the number of new employees and investment are at a
20 qualified location or locations within one or more counties in Nebraska
21 that each have a population of less than one hundred thousand, and at
22 which the majority of the business activities conducted are described in
23 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
24 entitled to a credit equal to four percent of the investment made in
25 qualified property at the qualified location or locations unless the
26 cumulative investment exceeds ten million dollars, in which case the
27 taxpayer shall be entitled to a credit equal to seven percent of the
28 investment made in qualified property at the qualified location or
29 locations. For purposes of meeting the ten-employee requirement of this
30 subdivision, the number of new employees shall be multiplied by two;

31 (b) If a taxpayer attains a cumulative investment in qualified

1 property of at least five million dollars and hires at least thirty new
2 employees at the qualified location or locations before the end of the
3 ramp-up period, the taxpayer shall be entitled to a credit equal to seven
4 percent of the investment made in qualified property at the qualified
5 location or locations;

6 (c) If a taxpayer attains a cumulative investment in qualified
7 property of at least two hundred fifty million dollars and hires at least
8 two hundred fifty new employees at the qualified location or locations
9 before the end of the ramp-up period, the taxpayer shall be entitled to a
10 credit equal to seven percent of the investment made in qualified
11 property at the qualified location or locations; or

12 (d) If a taxpayer attains a cumulative investment in qualified
13 property of at least two hundred fifty thousand dollars but less than one
14 million dollars and hires at least five new employees at the qualified
15 location or locations before the end of the ramp-up period and the number
16 of new employees and investment are at a qualified location within an
17 economic redevelopment area, the taxpayer shall be entitled to a credit
18 equal to four percent of the investment made in qualified property at the
19 qualified location or locations. For purposes of this subdivision,
20 economic redevelopment area means an area in which (i) the average rate
21 of unemployment in the area during the period covered by the most recent
22 federal decennial census or American Community Survey 5-Year Estimate is
23 at least one hundred fifty percent of the average rate of unemployment in
24 the state during the same period and (ii) the average poverty rate in the
25 area exceeds twenty percent for the total federal census tract or tracts
26 or federal census block group or block groups in the area.

27 (6)(a) The credit percentages prescribed in subdivisions (4)(a),
28 (b), (c), and (d) and subdivisions (5)(a), (b), and (c) of this section
29 shall be increased by one percentage point for wages paid and investments
30 made at qualified locations in an extremely blighted area. For purposes
31 of this subdivision, extremely blighted area means an area which, before

1 the end of the ramp-up period, has been declared an extremely blighted
2 area under section 18-2101.02.

3 (b) The credit percentages prescribed in subsections (4) and (5) of
4 this section shall be increased by one percentage point if the taxpayer:

5 (i) Is a benefit corporation as defined in section 21-403 and has
6 been such a corporation for at least one year prior to submitting an
7 application under the Imagine Nebraska Act; and

8 (ii) Remains a benefit corporation as defined in section 21-403 for
9 the duration of the taxpayer's agreement under the Imagine Nebraska Act.

10 (c) A taxpayer may, if qualified, receive one or both of the
11 increases provided in this subsection.

12 (7)(a) The credits prescribed in subsections (4) and (5) of this
13 section shall be allowable for wages paid and investments made during
14 each year of the performance period that the taxpayer is at or above the
15 required levels of employment and investment.

16 (b) The credits prescribed in subsection (5) of this section shall
17 also be allowable during the first year of the performance period for
18 investment in qualified property at the qualified location or locations
19 after the date of the complete application and before the beginning of
20 the performance period.

21 (8)(a) Property described in subdivision (8)(c) of this section used
22 at the qualified location or locations, whether purchased or leased, and
23 placed in service by the taxpayer after the date of the complete
24 application, shall constitute separate classes of property and are
25 eligible for exemption under the conditions and for the time periods
26 provided in subdivision (8)(b) of this section.

27 (b) A taxpayer shall receive the exemption of property in
28 subdivision (8)(c) of this section if the taxpayer attains one of the
29 following employment and investment levels: (i) Cumulative investment in
30 qualified property of at least five million dollars and the hiring of at
31 least thirty new employees at the qualified location or locations before

1 the end of the ramp-up period; (ii) cumulative investment in qualified
2 property of at least fifty million dollars at the qualified location or
3 locations before the end of the ramp-up period, provided the average
4 compensation of the taxpayer's employees at the qualified location or
5 locations for the year in which such investment level was attained equals
6 at least one hundred fifty percent of the Nebraska statewide average
7 hourly wage for the year of application and the taxpayer offers to its
8 employees who constitute full-time employees as defined and described in
9 section 4980H of the Internal Revenue Code of 1986, as amended, and the
10 regulations for such section, at the qualified location or locations for
11 the year in which such investment level was attained, the opportunity to
12 enroll in minimum essential coverage under an eligible employer-sponsored
13 plan, as those terms are defined and described in section 5000A of the
14 Internal Revenue Code of 1986, as amended, and the regulations for such
15 section; or (iii) cumulative investment in qualified property of at least
16 two hundred fifty million dollars and the hiring of at least two hundred
17 fifty new employees at the qualified location or locations before the end
18 of the ramp-up period. Such property shall be eligible for the exemption
19 from the first January 1 following the end of the year during which the
20 required levels were exceeded through the ninth December 31 after the
21 first year property included in subdivision (8)(c) of this section
22 qualifies for the exemption, except that for a taxpayer who has filed an
23 application under NAICS code 518210 for Data Processing, Hosting, and
24 Related Services and who files a separate sequential application for the
25 same NAICS code for which the ramp-up period begins with the year
26 immediately after the end of the previous project's performance period or
27 a taxpayer who has a project qualifying under subdivision (1)(b)(ii) of
28 section 77-5725 and who files a separate sequential application for NAICS
29 code 518210 for Data Processing, Hosting, and Related Services for which
30 the ramp-up period begins with the year immediately after the end of the
31 previous project's entitlement period, such property described in

1 subdivision (8)(c)(i) of this section shall be eligible for the exemption
2 from the first January 1 following the placement in service of such
3 property through the ninth December 31 after the year the first claim for
4 exemption is approved.

5 (c) The following personal property used at the qualified location
6 or locations, whether purchased or leased, and placed in service by the
7 taxpayer after the date of the complete application shall constitute
8 separate classes of personal property:

9 (i) All personal property that constitutes a data center if the
10 taxpayer qualifies under subdivision (8)(b)(i) or (8)(b)(ii) of this
11 section;

12 (ii) Business equipment that is located at a qualified location or
13 locations and that is involved directly in the manufacture or processing
14 of agricultural products, the manufacturing of liquid fertilizer or any
15 other chemical applied to agricultural crops, or the manufacturing of any
16 liquid additive for a farm vehicle fuel if the taxpayer qualifies under
17 subdivision (8)(b)(i) or (8)(b)(ii) of this section; or

18 (iii) All personal property if the taxpayer qualifies under
19 subdivision (8)(b)(iii) of this section.

20 (d) In order to receive the property tax exemptions allowed by
21 subdivision (8)(c) of this section, the taxpayer shall annually file a
22 claim for exemption with the Tax Commissioner on or before May 1. The
23 form and supporting schedules shall be prescribed by the Tax Commissioner
24 and shall list all property for which exemption is being sought under
25 this section. A separate claim for exemption must be filed for each
26 agreement and each county in which property is claimed to be exempt. A
27 copy of this form must also be filed with the county assessor in each
28 county in which the applicant is requesting exemption. The Tax
29 Commissioner shall determine whether a taxpayer is eligible to obtain
30 exemption for personal property based on the criteria for exemption and
31 the eligibility of each item listed for exemption and, on or before

1 August 1, certify such determination to the taxpayer and to the affected
2 county assessor.

3 (9) The taxpayer shall, on or before the receipt or use of any
4 incentives under this section, pay to the director a fee of one-half
5 percent of such incentives, except for the exemption on personal
6 property, for administering the Imagine Nebraska Act, except that the fee
7 on any sales tax exemption may be paid by the taxpayer with the filing of
8 its sales and use tax return. Such fee may be paid by direct payment to
9 the director or through withholding of available refunds. A credit shall
10 be allowed against such fee for the amount of the fee paid with the
11 application. All fees collected under this subsection shall be remitted
12 to the State Treasurer for credit to the Imagine Nebraska Cash Fund,
13 which fund is hereby created. The fund shall consist of fees credited
14 under this subsection and any other money appropriated to the fund by the
15 Legislature. The fund shall be administered by the Department of Economic
16 Development and shall be used for administration of the Imagine Nebraska
17 Act. Any money in the fund available for investment shall be invested by
18 the state investment officer pursuant to the Nebraska Capital Expansion
19 Act and the Nebraska State Funds Investment Act.

20 Sec. 84. Section 85-2601, Revised Statutes Supplement, 2023, is
21 amended to read:

22 85-2601 Sections 85-2601 to 85-2606 and sections 89 and 90 of this
23 act shall be known and may be cited as the First Responder Recruitment
24 and Retention Act.

25 Sec. 85. Section 85-2602, Revised Statutes Supplement, 2023, is
26 amended to read:

27 85-2602 For purposes of the First Responder Recruitment and
28 Retention Act:

29 (1) Associate degree program means a degree program at a community
30 college, state college, or state university which typically requires
31 completion of an organized program of study of at least sixty semester

1 credit hours or an equivalent that can be shown to accomplish the same
2 goal. Associate degree program does not include a baccalaureate degree
3 program;

4 (2) Baccalaureate degree program means a degree program at a
5 community college, state college, or state university which typically
6 requires completion of an organized program of study of at least one
7 hundred twenty semester credit hours or an equivalent that can be shown
8 to accomplish the same goal;

9 (3) Community college means a public postsecondary educational
10 institution which is part of the community college system and includes
11 all branches and campuses of such institution located within the State of
12 Nebraska;

13 (4) Law enforcement officer means any individual who is a law
14 enforcement officer as defined in section 81-1401; means any person who
15 is responsible for the prevention or detection of crime or the
16 enforcement of the penal, traffic, or highway laws of the State of
17 Nebraska or any political subdivision of the state for more than one
18 hundred hours per year and who is authorized by law to make arrests;

19 (5) Legal dependent has the same meaning as it is used for purposes
20 of the Free Application for Federal Student Aid;

21 (6) Line of duty means any action that a law enforcement officer or
22 professional firefighter is authorized or obligated by law, rule, or
23 regulation to perform, related to or as a condition of employment or
24 service;

25 (5) ~~Law enforcement agency means a police department in a~~
26 ~~municipality, a sheriff's office, and the Nebraska State Patrol;~~

27 (7) (6) Professional firefighter means an individual who is a
28 firefighter or firefighter-paramedic as a full-time career and who is a
29 member of a paid fire department of any of the following entities within
30 Nebraska:

31 (a) ~~A a municipality or a rural or suburban fire protection district~~

1 ~~in this state~~, including a municipality having a home rule charter or a
2 municipal authority created pursuant to a home rule charter that has its
3 own paid fire department; ~~τ~~

4 (b) A rural or suburban fire protection district; or and for whom
5 firefighting is a full-time career;

6 (c) A fire service providing fire protection to state military
7 installations;

8 (8) (7) State college means a public postsecondary educational
9 institution which is part of the Nebraska state college system and
10 includes all branches and campuses of such institution located within the
11 State of Nebraska;

12 (9) (8) State university means a public postsecondary educational
13 institution which is part of the University of Nebraska and includes all
14 branches and campuses of such institution located within the State of
15 Nebraska; and

16 (10) (9) Tuition means the charges and cost of tuition as set by the
17 governing body of a state university, state college, or community
18 college.

19 Sec. 86. Section 85-2603, Revised Statutes Supplement, 2023, is
20 amended to read:

21 85-2603 (1)(a) (1) A law enforcement officer shall be entitled to a
22 waiver of one hundred percent of the resident tuition charges of any
23 state university, state college, or community college if the officer:

24 ~~(a) Maintains satisfactory performance with his or her law~~
25 ~~enforcement agency;~~

26 (i) Possesses a law enforcement officer certificate under sections
27 81-1401 to 81-1414.19 which is not in a suspended or locked status;

28 (ii) Is not identified in a formal complaint before the Nebraska
29 Police Standards Advisory Council for an allegation of misconduct or
30 violation of the officer's code of ethics;

31 (iii) (b) Meets all admission requirements of the state university,

1 state college, or community college;

2 (iv) (e) Pursues studies leading to a degree that relates to a
3 career in law enforcement from an associate degree program or a
4 baccalaureate degree program; ~~and~~

5 (v) Submits the certificate of verification required by subsection
6 (4) of this section; and

7 (vi) Files (d) ~~For an officer applying for a waiver after September~~
8 ~~2, 2023, files~~ with the Department of Revenue documentation showing proof
9 of employment as a law enforcement officer and proof of residence in
10 Nebraska each year such officer or such officer's legal dependent applies
11 for and receives the tuition waiver.

12 (b) The officer may receive the tuition waiver for up to five years
13 if he or she otherwise continues to be eligible for participation.

14 (2)(a) (2) Any legal dependent of a law enforcement officer who
15 satisfies subsection (1) of this section ~~maintains satisfactory~~
16 ~~performance with such law enforcement officer's law enforcement agency~~
17 shall be entitled to a tuition waiver of one hundred percent of the
18 resident tuition charges of any state university, state college, or
19 community college for an associate or baccalaureate degree program if the
20 legal dependent;

21 (i) Executes ~~executes~~ an agreement ~~with the state~~ in accordance with
22 section 85-2605; ~~-~~

23 (ii) Has not previously earned a baccalaureate degree;

24 (iii) Completes and submits to the United States Department of
25 Education a Free Application for Federal Student Aid;

26 (iv) Submits a document to the state university, state college, or
27 community college confirming that the legal dependent has satisfied
28 subdivision (2)(a)(iii) of this section. Such document shall be submitted
29 in a form and manner as prescribed by the state university, state
30 college, or community college; and

31 (v) Submits the certificate of verification required by subsection

1 (4) of this section.

2 (b) The legal dependent may receive the tuition waiver for up to
3 five years if the law enforcement officer and the legal dependent
4 continue to be eligible for participation. The five years of tuition
5 waiver eligibility starts once the legal dependent applies for and
6 receives the tuition waiver for the first time and is available to such
7 legal dependent for the next consecutive five years.

8 (3) The state university, state college, or community college shall
9 waive one hundred percent of the officer's or the legal dependent's
10 tuition remaining due after subtracting awarded federal financial aid
11 grants and state scholarships and grants for an eligible law enforcement
12 officer or legal dependent during the time the officer or legal dependent
13 is enrolled. To remain eligible, the officer or legal dependent must
14 comply with all requirements of the institution for continued attendance
15 and award of an associate degree or a baccalaureate degree.

16 (4)(a) ~~(4)~~ An application for the tuition waiver shall include a
17 verification of the law enforcement officer's satisfaction of subsection
18 (1) of this section ~~satisfactory performance as a law enforcement~~
19 ~~officer~~. It shall be the responsibility of the officer to obtain a
20 certificate of verification from his or her superior ~~officer in such~~
21 ~~officer's law enforcement agency~~ attesting to such officer's satisfaction
22 of subsection (1) of this section ~~satisfactory performance~~. The officer
23 shall include the certificate of verification when the officer or the
24 officer's legal dependent is applying to the state university, state
25 college, or community college in order to obtain tuition waiver upon
26 initial enrollment.

27 (b) The death of a law enforcement officer in the line of duty which
28 occurs after submission of an application for a tuition waiver shall not
29 disqualify such officer's otherwise eligible legal dependent from
30 receiving the tuition waiver. In such case, in lieu of submitting the
31 certificate of verification provided for in subdivision (4)(a) of this

1 section, the legal dependent shall submit a certificate of verification
2 from the officer's superior attesting that:

3 (i) At the time of such death, such officer satisfied subsection (1)
4 of this section; and

5 (ii) Such officer died in the line of duty.

6 (5) Within forty-five days after receipt of a completed application,
7 the state university, state college, or community college shall send
8 written notice of the law enforcement officer's or legal dependent's
9 eligibility or ineligibility for the tuition waiver. If the officer or
10 legal dependent is determined not to be eligible for the tuition waiver,
11 the notice shall include the reason or reasons for such determination ~~and~~
12 ~~an indication that an appeal of the determination may be made pursuant to~~
13 ~~the Administrative Procedure Act.~~

14 Sec. 87. Section 85-2603.01, Revised Statutes Supplement, 2023, is
15 amended to read:

16 85-2603.01 (1)(a) A professional firefighter shall be entitled to a
17 waiver of one hundred percent of the resident tuition charges of any
18 state university, state college, or community college if the professional
19 firefighter:

20 (i) Maintains satisfactory performance with such firefighter's fire
21 department;

22 (ii) Meets all admission requirements of the state university, state
23 college, or community college;

24 (iii) Pursues studies leading to a degree ~~in science or medicine~~
25 that relates to a career in professional firefighting from an associate
26 degree program or a baccalaureate degree program; ~~and~~

27 (iv) Submits the certificate of verification required by subsection
28 (4) of this section; and

29 (v) ~~(iv)~~ Files with the Department of Revenue documentation showing
30 proof of employment as a professional firefighter and proof of residence
31 in Nebraska each year such professional firefighter or such professional

1 firefighter's legal dependent applies for and receives the tuition
2 waiver.

3 (b) The professional firefighter may receive the tuition waiver for
4 up to five years if such professional firefighter otherwise continues to
5 be eligible for participation.

6 ~~(2)(a) (2)~~ Any legal dependent of a professional firefighter who
7 maintains satisfactory performance with such professional firefighter's
8 fire department shall be entitled to a tuition waiver of one hundred
9 percent of the resident tuition charges of any state university, state
10 college, or community college for an associate or baccalaureate degree
11 program if the legal dependent:

12 ~~(i) Executes~~ ~~executes~~ an agreement ~~with the state~~ in accordance with
13 section 85-2605; -

14 ~~(ii) Has not previously earned a baccalaureate degree;~~

15 ~~(iii) Completes and submits to the United States Department of~~
16 ~~Education a Free Application for Federal Student Aid;~~

17 ~~(iv) Submits a document to the state university, state college, or~~
18 ~~community college confirming that the legal dependent has satisfied~~
19 ~~subdivision (2)(a)(iii) of this section. Such document shall be submitted~~
20 ~~in a form and manner as prescribed by the state university, state~~
21 ~~college, or community college; and~~

22 ~~(v) Submits the certificate of verification required by subsection~~
23 ~~(4) of this section.~~

24 (b) The legal dependent may receive the tuition waiver for up to
25 five years if the professional firefighter and the legal dependent
26 continue to be eligible for participation. The five years of tuition
27 waiver eligibility starts once the legal dependent applies for and
28 receives the tuition waiver for the first time and is available to such
29 legal dependent for the next consecutive five years.

30 (3) The state university, state college, or community college shall
31 waive one hundred percent of the professional firefighter's or the legal

1 dependent's tuition remaining due after subtracting awarded federal
2 financial aid grants and state scholarships and grants for an eligible
3 professional firefighter or legal dependent during the time the
4 professional firefighter or legal dependent is enrolled. To remain
5 eligible, the professional firefighter or legal dependent must comply
6 with all requirements of the institution for continued attendance and
7 award of an associate degree or baccalaureate degree.

8 (4)(a) (4) An application for the tuition waiver shall include a
9 verification of the professional firefighter's satisfactory performance
10 as a professional firefighter. It shall be the responsibility of the
11 professional firefighter to obtain a certificate of verification from the
12 fire chief of such professional firefighter's fire department attesting
13 to such professional firefighter's satisfactory performance. The
14 professional firefighter shall include the certificate of ~~or~~ verification
15 when the professional firefighter or the professional firefighter's legal
16 dependent is applying to the state university, state college, or
17 community college in order to obtain tuition waiver upon initial
18 enrollment.

19 (b) The death of a professional firefighter in the line of duty
20 which occurs after submission of an application for a tuition waiver
21 shall not disqualify such firefighter's otherwise eligible legal
22 dependent from receiving the tuition waiver. In such case, in lieu of
23 submitting the certificate of verification provided for in subdivision
24 (4)(a) of this section, the legal dependent shall submit a certificate of
25 verification from the fire chief of such firefighter's fire department
26 attesting that:

27 (i) At the time of such death, such firefighter satisfied subsection
28 (1) of this section; and

29 (ii) Such firefighter died in the line of duty.

30 (5) Within forty-five days after receipt of a completed application,
31 the state university, state college, or community college shall send

1 written notice of the professional firefighter's or legal dependent's
2 eligibility or ineligibility for the tuition waiver. If the professional
3 firefighter or legal dependent is determined not to be eligible for the
4 tuition waiver, the notice shall include the reason or reasons for such
5 determination ~~and an indication that an appeal of the determination may~~
6 ~~be made pursuant to the Administrative Procedure Act.~~

7 Sec. 88. Section 85-2605, Revised Statutes Supplement, 2023, is
8 amended to read:

9 85-2605 (1) Each legal dependent who is a tuition waiver recipient
10 under the First Responder Recruitment and Retention Act shall execute an
11 agreement ~~with the state~~. Such agreement shall be exempt from the
12 requirements of sections 73-501 to 73-510 and shall include the following
13 terms, as appropriate:

14 (a) The tuition waiver recipient agrees to reside within the State
15 of Nebraska for a period of five years following the use of the tuition
16 waiver;

17 (b) Each year during the five-year period following use of the
18 tuition waiver the tuition waiver recipient agrees to file a tax return
19 with the Department of Revenue to document that such recipient still
20 resides in the State of Nebraska;

21 (c) If the tuition waiver recipient fails to annually file a tax
22 return to prove residency in the State of Nebraska for the five-year
23 period following the use of the tuition waiver or fails to remain a
24 resident of Nebraska for the five-year period following the use of the
25 tuition waiver, the tuition waiver recipient agrees to repay the
26 community college, state college, or state university that such tuition
27 waiver recipient attended the amount of tuition that was waived for such
28 individual if the community college, state college, or state university
29 requests such payment on the dates and in the amounts requested; and

30 (d) Any residency, filing, or payment obligation incurred by the
31 tuition waiver recipient under the First Responder Recruitment and

1 Retention Act is canceled in the event of the tuition waiver recipient's
2 total and permanent disability or death.

3 (2) The five-year residency requirement begins to run after use of
4 the first tuition waiver and:

5 (a) Completion of the five-year tuition waiver eligibility;

6 (b) Completion of an undergraduate degree at a state college or
7 state university;

8 (c) Completion of a two-year degree at a community college and
9 notification by the tuition waiver recipient to the Department of Revenue
10 that such recipient does not intend to pursue an undergraduate degree or
11 additional two-year degree using tuition waivers pursuant to the First
12 Responder Recruitment and Retention Act; or

13 (d) Notification by the tuition waiver recipient to the Department
14 of Revenue that such recipient does not plan to use additional tuition
15 waivers pursuant to the First Responder Recruitment and Retention Act.

16 Sec. 89. On or before December 31 of each year, each state
17 university, state college, and community college shall provide to the
18 Department of Revenue a list of the legal dependents who received a
19 tuition waiver pursuant to the First Responder Recruitment and Retention
20 Act during such year.

21 Sec. 90. (1) The Department of Revenue shall maintain a record of
22 the legal dependents who have received tuition waivers pursuant to the
23 First Responder Recruitment and Retention Act.

24 (2) On or before each August 1, the department shall provide a
25 report to each state university, state college, and community college
26 indicating which tuition waiver recipients have failed to file a tax
27 return with the department to document that such recipients still resided
28 in the State of Nebraska during the preceding year.

29 Sec. 91. It is the intent of the Legislature to appropriate one
30 million dollars for fiscal year 2024-25 from the General Fund to the
31 Department of Environment and Energy to fund the installation of real-

1 time nitrate sensors in monitoring wells statewide to prioritize nitrate
2 management and reduction.

3 Sec. 92. Sections 54, 55, 56, 57, 58, 59, 70, 71, 72, and 94 of
4 this act become operative on January 1, 2025. Sections 24, 25, 26, 27,
5 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45,
6 46, 47, 48, 49, 52, 53, 63, 64, 65, 66, 67, 68, 73, 74, 75, 76, 77, 82,
7 83, 84, 85, 86, 87, 88, 89, 90, 91, and 95 of this act become operative
8 three calendar months after the adjournment of this legislative session.
9 The other sections of this act become operative on their effective date.

10 Sec. 93. If any section in this act or any part of any section is
11 declared invalid or unconstitutional, the declaration shall not affect
12 the validity or constitutionality of the remaining portions.

13 Sec. 94. Original sections 60-301, 60-302, 60-3,191, and 66-4,105,
14 Reissue Revised Statutes of Nebraska, section 66-482, Revised Statutes
15 Cumulative Supplement, 2022, and sections 77-2701 and 77-2701.04, Revised
16 Statutes Supplement, 2023, are repealed.

17 Sec. 95. Original sections 2-1207, 9-810, 9-1104, 44-314, 77-1333,
18 77-1359, 77-3002, and 77-3003, Reissue Revised Statutes of Nebraska,
19 sections 43-512.12, 77-202, 77-202.01, 77-202.03, 77-3011, 77-5601, and
20 77-6831, Revised Statutes Cumulative Supplement, 2022, and sections
21 9-1110, 77-2716, 85-2601, 85-2602, 85-2603, 85-2603.01, and 85-2605,
22 Revised Statutes Supplement, 2023, are repealed.

23 Sec. 96. Original sections 13-520, 18-2103, 70-1002.02, 77-5005,
24 77-5017, and 77-5018, Reissue Revised Statutes of Nebraska, and sections
25 70-1001.01, 77-2015, and 77-4405, Revised Statutes Supplement, 2023, are
26 repealed.

27 Sec. 97. Since an emergency exists, this act takes effect when
28 passed and approved according to law.

29 2. On page 1, strike beginning with "revenue" in line 1 through line
30 2 and insert "law; to amend sections 2-1207, 9-810, 9-1104, 13-520,
31 18-2103, 44-314, 60-301, 60-302, 60-3,191, 66-4,105, 70-1002.02, 77-1333,

1 77-1359, 77-3002, 77-3003, 77-5005, 77-5017, and 77-5018, Reissue Revised
2 Statutes of Nebraska, sections 43-512.12, 66-482, 77-202, 77-202.01,
3 77-202.03, 77-3011, 77-5601, and 77-6831, Revised Statutes Cumulative
4 Supplement, 2022, and sections 9-1110, 70-1001.01, 77-2015, 77-2701,
5 77-2701.04, 77-2716, 77-4405, 85-2601, 85-2602, 85-2603, 85-2603.01, and
6 85-2605, Revised Statutes Supplement, 2023; to adopt the Good Life
7 District Economic Development Act, the Financial Institution Data Match
8 Act, and the Gambling Winnings Setoff for Outstanding Debt Act; to
9 require certain actions relating to underutilized tax-exempt property and
10 certain parimutuel, lottery, gaming, and gambling winnings; to redefine a
11 term under the Community Development Law; to change provisions and define
12 and redefine terms relating to health insurance coverage for first
13 responders and dependents; to change provisions and define terms under
14 the Motor Vehicle Registration Act; to change provisions and define and
15 redefine terms relating to motor fuel taxation; to change and provide
16 provisions relating to electric energy, electric suppliers, and electric
17 and hybrid motor vehicles; to change provisions relating to property
18 taxation; to restate legislative findings and change provisions relating
19 to rent-restricted housing projects; to state legislative findings,
20 define terms, and provide provisions relating to sales-restricted houses;
21 to change provisions relating to inheritance taxes; to change provisions
22 relating to the Nebraska Revenue Act of 1967, the Good Life
23 Transformational Projects Act, the Tax Equalization and Review Commission
24 Act, and the First Responder Recruitment and Retention Act; to provide
25 and change sales and use tax exemptions and incentives; to state intent
26 relating to appropriations for nitrate sensors; to harmonize provisions;
27 to provide operative dates; to provide severability; to repeal the
28 original sections; and to declare an emergency."