

E AND R AMENDMENTS TO LB 727

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 8 of this act shall be known and may be
4 cited as the Nebraska Biodiesel Tax Credit Act.

5 Sec. 2. For purposes of the Nebraska Biodiesel Tax Credit Act:

6 (1) Biodiesel means mono-alkyl esters of long chain fatty acids
7 derived from vegetable oils or animal fats which conform to American
8 Society for Testing and Materials D6751 specifications for use in diesel
9 engines. Biodiesel refers to the pure fuel with less than one percent
10 blended with diesel fuel;

11 (2) Department means the Department of Revenue;

12 (3) Motor fuel pump means a meter or similar commercial weighing and
13 measuring device used to measure and dispense motor fuel originating from
14 a motor fuel storage tank;

15 (4) Retail dealer means a person engaged in the business of storing
16 and dispensing motor fuel from a motor fuel pump for sale on a retail
17 basis;

18 (5) Retail motor fuel site means a geographic location in this state
19 where a retail dealer sells and dispenses motor fuel from a motor fuel
20 pump on a retail basis, including a permanent or mobile location; and

21 (6) Taxpayer means any natural person or any limited liability
22 company, partnership, private domestic or private foreign corporation, or
23 domestic or foreign nonprofit corporation certified pursuant to section
24 501(c)(3) of the Internal Revenue Code of 1986, as amended.

25 Sec. 3. (1) Any taxpayer who is a retail dealer and who sold and
26 dispensed biodiesel on a retail basis during the prior calendar year
27 through a motor fuel pump located at the taxpayer's retail motor fuel

1 site shall be eligible to receive tax credits under the Nebraska
2 Biodiesel Tax Credit Act.

3 (2) The tax credit shall be in an amount equal to fourteen cents
4 multiplied by the total number of gallons of biodiesel sold by the
5 taxpayer on a retail basis during the prior calendar year through a motor
6 fuel pump located at the taxpayer's retail motor fuel site.

7 (3) The tax credit shall be a refundable credit that may be used
8 against any income tax imposed by the Nebraska Revenue Act of 1967 or any
9 tax imposed pursuant to sections 77-907 to 77-918 or 77-3801 to 77-3807.

10 (4) Tax credits allowed under this section may be claimed for
11 taxable years beginning or deemed to begin on or after January 1, 2024,
12 under the Internal Revenue Code of 1986, as amended.

13 (5) To receive tax credits, a taxpayer shall submit an application
14 to the department on a form prescribed by the department. Applications
15 may be submitted from January 1 to April 15 of each calendar year
16 beginning in 2024. The application shall include the following
17 information:

18 (a) The name and address of the taxpayer;

19 (b) The total number of gallons of biodiesel sold by the taxpayer on
20 a retail basis during the prior calendar year through a motor fuel pump
21 located at the taxpayer's retail motor fuel site; and

22 (c) Any other documentation required by the department.

23 Sec. 4. (1) If the department determines that an application is
24 complete and that the taxpayer qualifies for tax credits, the department
25 shall approve the application within the limits set forth in this section
26 and shall certify the amount of tax credits approved to the taxpayer.

27 (2) The department may approve up to five million dollars in tax
28 credits in any calendar year. If the total amount of tax credits
29 requested in any calendar year exceeds such limit, the department shall
30 allocate the tax credits proportionally based upon amounts requested.

31 Sec. 5. (1) A taxpayer shall claim the tax credit by attaching the

1 tax credit certification received from the department under section 4 of
2 this act to the taxpayer's tax return.

3 (2) Any credit in excess of the taxpayer's tax liability shall be
4 refunded to the taxpayer. In lieu of claiming a refund, the taxpayer may
5 elect to have the excess carried forward to subsequent taxable years. A
6 taxpayer may carry forward the excess tax credits until fully utilized.

7 Sec. 6. Any tax credit allowable to a partnership, a limited
8 liability company, a subchapter S corporation, a cooperative corporation,
9 or an estate or trust may be distributed to the partners, limited
10 liability company members, shareholders, cooperative members, or
11 beneficiaries in the same manner as income is distributed.

12 Sec. 7. There shall be no new applications filed under the Nebraska
13 Biodiesel Tax Credit Act after December 31, 2028. All applications and
14 all tax credits pending or approved before such date shall continue in
15 full force and effect.

16 Sec. 8. The department may adopt and promulgate rules and
17 regulations to carry out the Nebraska Biodiesel Tax Credit Act.

18 Sec. 9. Sections 9 to 15 of this act shall be known and may be
19 cited as the Good Life Transformational Projects Act.

20 Sec. 10. (1) The purpose of the Good Life Transformational Projects
21 Act is to promote and develop the general and economic welfare of this
22 state and its communities by providing support for unique Nebraska
23 projects that will attract new industries and employment opportunities
24 and further grow and strengthen Nebraska's retail, entertainment, and
25 tourism industries.

26 (2) The Legislature finds that it will be beneficial to the economic
27 well-being of the people of this state to encourage transformational
28 development projects within the state that create jobs, infrastructure,
29 and other improvements and attract and retain tourists and college
30 graduates from around the state.

31 (3) The Legislature further finds that such projects will (a)

1 generate new economic activity, as well as additional state and local
2 taxes from persons residing within and outside the state, (b) create new
3 economic opportunities and jobs for residents, and (c) promote new-to-
4 market retail, entertainment, and dining attractions.

5 Sec. 11. For purposes of the Good Life Transformational Projects
6 Act:

7 (1) Department means the Department of Economic Development; and

8 (2) Good life district means a district established pursuant to
9 section 13 of this act.

10 Sec. 12. (1) Until December 31, 2024, any person may apply to the
11 department to create a good life district. All applications shall be in
12 writing and shall contain:

13 (a) A description of the proposed project to be undertaken within
14 the good life district, including a description of any existing
15 development, an estimate of the total new development costs for the
16 project, and an estimate of the number of new jobs to be created as a
17 result of the project;

18 (b) A map identifying the good life district to be used for purposes
19 of the project;

20 (c) A description of the proposed financing of the project;

21 (d) Documentation of local financial commitment to support the
22 project, including all public and private resources pledged or committed
23 to the project and including a copy of any operating agreement or lease
24 with substantial users of the project area; and

25 (e) Sufficient documents, plans, and specifications as required by
26 the department to define the project, including the following:

27 (i) A statement of how the jobs and taxes obtained from the project
28 will contribute significantly to the economic development of the state
29 and region;

30 (ii) Visitation expectations and a plan describing how the number of
31 visitors to the good life district will be tracked and reported on an

1 annual basis;

2 (iii) Any unique qualities of the project;

3 (iv) An economic impact study, including the anticipated effect of
4 the project on the regional and statewide economies;

5 (v) Project accountability, measured according to best industry
6 practices;

7 (vi) The expected return on state and local investment the project
8 is anticipated to produce; and

9 (vii) A summary of community involvement, participation, and support
10 for the project.

11 (2) Upon receiving an application, the department shall review the
12 application and notify the applicant of any additional information needed
13 for a proper evaluation of the application.

14 (3) The application and all supporting information shall be
15 confidential except for the location of the project, the total new
16 development costs estimated for the project, and the number of new jobs
17 estimated to be created as a result of the project.

18 Sec. 13. (1) If the department finds that the project described in
19 the application meets the eligibility requirements of this section, the
20 application shall be approved.

21 (2) A project is eligible if:

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

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

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

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

31 (iv) One hundred million dollars if the project will be located in a

1 city of the first class, city of the second class, or village within a
2 county with a population of less than one hundred thousand inhabitants;

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

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

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

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

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

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

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

28 (3) A project is not eligible if the project includes a licensed
29 racetrack enclosure or an authorized gaming operator as such terms are
30 defined in section 9-1103.

31 (4) Approval of an application under this section shall establish

1 the good life district as that area depicted in the map accompanying the
2 application as submitted pursuant to subdivision (1)(b) of section 12 of
3 this act. Such district shall last for twenty-five years and shall not
4 exceed two thousand acres in size.

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

8 Sec. 14. The department shall terminate a good life district
9 established pursuant to section 13 of this act if the applicant has not
10 met seventy-five percent of the investment threshold required under
11 subdivision (2)(a) of section 13 of this act within ten years after
12 establishment of such district.

13 Sec. 15. No provision in the Good Life Transformational Projects
14 Act shall be construed to limit the existing statutory authority of any
15 political subdivision.

16 Sec. 16. Section 13-2602, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 13-2602 (1) The Legislature finds that it will be beneficial to the
19 economic well-being of the people of this state that there be convention
20 and meeting center facilities and sports arena facilities of appropriate
21 size and quality to host regional, national, or international events.
22 Regional refers to states that border Nebraska; national refers to states
23 other than those that border Nebraska; and international refers to
24 nations other than the United States.

25 (2) The Legislature further finds that such facilities may (a)
26 generate new economic activity as well as additional state and local
27 taxes from persons residing within and outside the state and (b) create
28 new economic opportunities for residents.

29 (3) In order that the state may receive any long-term economic and
30 fiscal benefits from such facilities, a need exists to provide some state
31 assistance to political subdivisions endeavoring to construct, acquire,

1 substantially reconstruct, expand, operate, improve, or equip such
2 facilities.

3 (4) ~~Therefore~~ ~~Therefor~~, it is deemed to be in the best interest of
4 both the state and its political subdivisions that the state assist
5 political subdivisions in financing the construction, acquisition,
6 substantial reconstruction, expansion, operation, improvement, or
7 equipping of such facilities.

8 (5) The amount of state assistance provided under the Convention
9 Center Facility Financing Assistance Act shall be limited to a designated
10 portion of state sales tax revenue collected by retailers and operators
11 doing business at such facilities on sales at such facilities, state
12 sales tax revenue collected on primary and secondary box office sales of
13 admissions to such facilities, and state sales tax revenue collected by
14 associated hotels and nearby retailers.

15 Sec. 17. Section 13-2603, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 13-2603 For purposes of the Convention Center Facility Financing
18 Assistance Act:

19 (1) Associated hotel means any publicly or privately owned facility
20 in which the public may, for a consideration, obtain sleeping
21 accommodations and which is located, in whole or in part, within six
22 hundred yards of an eligible facility, measured from any point of the
23 exterior perimeter of the eligible facility but not from any parking
24 facility or other structure, except that if the eligible facility is
25 within six hundred yards of the State Capitol, the area used in
26 determining associated hotels shall be one or more areas selected by the
27 applicant which aggregate the same total amount of square footage that
28 such area would have contained had the eligible facility not been within
29 six hundred yards of the State Capitol. The area used in determining
30 associated hotels shall be depicted on a map submitted pursuant to
31 section 13-2605;

1 (2) Board means a board consisting of the Governor, the State
2 Treasurer, the chairperson of the Nebraska Investment Council, the
3 chairperson of the Nebraska State Board of Public Accountancy, and a
4 professor of economics on the faculty of a state postsecondary
5 educational institution appointed to a two-year term on the board by the
6 Coordinating Commission for Postsecondary Education. For administrative
7 and budget purposes only, the board shall be considered part of the
8 Department of Revenue;

9 (3) Bond means a general obligation bond, redevelopment bond, lease-
10 purchase bond, revenue bond, or combination of any such bonds;

11 (4) Convention and meeting center facility means a temperature-
12 controlled building and personal property primarily used as a convention
13 and meeting center, including an auditorium, an exhibition hall, a
14 facility for onsite food preparation and serving, an onsite, directly
15 connected parking facility for the use of the convention and meeting
16 center facility, a nearby parking facility for the use of the convention
17 and meeting center facility, and an onsite administrative office of the
18 convention and meeting center facility;

19 (5)(a) Eligible facility means any publicly owned convention and
20 meeting center facility approved for state assistance on or before June
21 1, 2007, any publicly owned sports arena facility attached to such
22 convention and meeting center facility, or any publicly ~~or privately~~
23 owned convention and meeting center facility or publicly ~~or privately~~
24 owned sports arena facility acquired, constructed, improved, or equipped
25 after June 1, 2007; and

26 (b) Beginning with applications for financial assistance received on
27 or after February 1, 2008, eligible facility does not include any
28 publicly ~~or privately~~ owned sports arena facility with a seating capacity
29 greater than sixteen thousand seats;

30 (6) General obligation bond means any bond or refunding bond issued
31 by a political subdivision and which is payable exclusively from the

1 proceeds of an ad valorem tax;

2 (7) Nearby parking facility means any parking lot, parking garage,
3 or other parking structure that is not directly connected to a convention
4 and meeting center facility but which is located, in whole or in part,
5 within six hundred yards of a convention and meeting center facility,
6 measured from any point of the exterior perimeter of such facility but
7 not from any other parking facility or other structure;

8 (8) Nearby retailer means a retailer as defined in section
9 77-2701.32 that is located, in whole or in part, within six hundred yards
10 of an eligible facility, measured from any point of the exterior
11 perimeter of the eligible facility but not from any parking facility or
12 other structure, except that if the eligible facility is within six
13 hundred yards of the State Capitol, the area used in determining nearby
14 retailers shall be one or more areas selected by the applicant which
15 aggregate the same total amount of square footage that such area would
16 have contained had the eligible facility not been within six hundred
17 yards of the State Capitol. The area used in determining nearby retailers
18 shall be depicted on a map submitted pursuant to section 13-2605;

19 (9) ~~(8)~~ Political subdivision means any local governmental body
20 formed and organized under state law and any joint entity or joint public
21 agency created under state law to act on behalf of political subdivisions
22 which has statutory authority to issue general obligation bonds;

23 (10) ~~(9)~~ Revenue bond means any bond or refunding bond issued by a
24 political subdivision which is limited or special rather than a general
25 obligation bond of the political subdivision and which is not payable
26 from the proceeds of an ad valorem tax; and

27 (11) ~~(10)~~ Sports arena facility means any enclosed temperature-
28 controlled building primarily used for competitive sports, including
29 arenas, dressing and locker facilities, concession areas, parking
30 facilities, and onsite administrative offices connected with operating
31 the facilities.

1 Sec. 18. Section 13-2604, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-2604 Any political subdivision that has acquired, constructed,
4 improved, or equipped or has approved a ~~general obligation~~ bond issue to
5 acquire, construct, improve, or equip eligible facilities may apply to
6 the board for state assistance. The state assistance shall be used:

7 (1) To pay back amounts expended or borrowed through one or more
8 issues of bonds to be expended by the political subdivision to acquire,
9 construct, improve, repair, replace, and equip any eligible facilities
10 until repayment in full of the amounts expended or borrowed by the
11 political subdivision, including the principal of and interest on bonds,
12 for all of its eligible facilities;

13 (2) To pay for capital improvements to any eligible facilities; and

14 (3) To acquire, construct, improve, repair, replace, and equip
15 nearby parking facilities.

16 Sec. 19. Section 13-2605, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 13-2605 (1) All applications for state assistance under the
19 Convention Center Facility Financing Assistance Act shall be in writing
20 and shall include a certified copy of the approving action of the
21 governing body of the applicant describing the proposed eligible facility
22 and the anticipated financing.

23 (2) The application shall contain:

24 (a) A description of the proposed financing of the eligible
25 facility, including the estimated principal and interest requirements for
26 the bonds proposed to be issued in connection with the eligible facility
27 or the amounts necessary to repay the original investment by the
28 applicant in the eligible facility;

29 (b) Documentation of local financial commitment to support the
30 project, including all public and private resources pledged or committed
31 to the project;~~and~~

1 (c) A map identifying the area to be used in determining associated
2 hotels and nearby retailers; and

3 (d) ~~(e)~~ Any other project information deemed appropriate by the
4 board.

5 (3) Upon receiving an application for state assistance, the board
6 shall review the application and notify the applicant of any additional
7 information needed for a proper evaluation of the application.

8 (4) Any state assistance received pursuant to the act shall be used
9 only for public purposes.

10 (5) Approval of an application for state assistance by the board
11 after the operative date of this section pursuant to section 13-2607
12 shall establish the area to be used for determining associated hotels and
13 nearby retailers as the aggregate area depicted in the map accompanying
14 the application for state assistance as submitted pursuant to subdivision
15 (2)(c) of this section.

16 (6) ~~(5)~~ Each political subdivision that had an application for state
17 assistance approved prior to the operative date of this section ~~October~~
18 ~~1, 2016,~~ shall submit a map to the Department of Revenue showing the area
19 that lies within six hundred yards of the eligible facility as such area
20 is described in subdivisions ~~subdivision~~ (1) and (8) of section 13-2603.
21 The department shall approve such area if it satisfies the requirements
22 of subdivisions ~~subdivision~~ (1) and (8) of section 13-2603.

23 Sec. 20. Section 13-2609, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 13-2609 (1) If an application is approved, the Tax Commissioner
26 shall:

27 (a) Audit or review audits of the approved convention and meeting
28 center facility, sports arena facility, ~~or~~ associated hotel, or nearby
29 retailer to determine the state sales tax revenue collected by retailers
30 and operators doing business at such facilities on sales at such
31 facilities, state sales tax revenue collected on primary and secondary

1 box office sales of admissions to such facilities, and state sales tax
2 revenue collected by associated hotels and nearby retailers; and

3 (b) Certify annually the amount of state sales tax revenue collected
4 by retailers and operators doing business at such facilities on sales at
5 such facilities, state sales tax revenue collected on primary and
6 secondary box office sales of admissions to such facilities, and state
7 sales tax revenue collected by associated hotels and nearby retailers, to
8 the State Treasurer.

9 (2) State sales tax revenue collected by retailers and operators
10 that are not eligible facilities but are doing business at eligible
11 facilities shall be reported on informational returns developed by the
12 Department of Revenue and provided to any such retailers and operators by
13 the eligible facility. The informational returns shall be submitted to
14 the department by the retailer or operator by the twentieth day of the
15 month following the month the sales taxes are collected. The Tax
16 Commissioner shall use the data from the informational returns and sales
17 tax returns of eligible facilities, ~~and~~ associated hotels, and nearby
18 retailers to determine the appropriate amount of state sales tax revenue.

19 (3) Changes made to the Convention Center Facility Financing
20 Assistance Act by Laws 2007, LB 551, shall apply to state sales tax
21 revenue collected commencing on July 1, 2006. Changes made to the
22 Convention Center Facility Financing Assistance Act by this legislative
23 bill shall apply to state sales tax revenue collected commencing on July
24 1, 2023.

25 Sec. 21. Section 13-2610, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 13-2610 (1) Upon the annual certification under section 13-2609, the
28 State Treasurer shall transfer after the audit the amount certified to
29 the Convention Center Support Fund. The Convention Center Support Fund is
30 created. Transfers may be made from the fund to the General Fund at the
31 direction of the Legislature. Any money in the Convention Center Support

1 Fund available for investment shall be invested by the state investment
2 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
3 State Funds Investment Act.

4 (2)(a) It is the intent of the Legislature to appropriate from the
5 fund to any political subdivision for which an application for state
6 assistance under the Convention Center Facility Financing Assistance Act
7 has been approved an amount not to exceed (i) seventy percent of the
8 state sales tax revenue collected by retailers and operators doing
9 business at such facilities on sales at such facilities, state sales tax
10 revenue collected on primary and secondary box office sales of admissions
11 to such facilities, and state sales tax revenue collected by associated
12 hotels and nearby retailers, (ii) one hundred fifty million dollars for
13 any one approved project, or (iii) the total cost of acquiring,
14 constructing, improving, repairing, replacing, or equipping the eligible
15 facilities of the political subdivision facility. State assistance shall
16 not be used for an operating subsidy.

17 (b) It is further the intent of the Legislature to appropriate from
18 the fund to any city of the metropolitan class for which an application
19 for state assistance under the Convention Center Facility Financing
20 Assistance Act has been approved an amount not to exceed the amount of
21 money transferred to the fund pursuant to subdivision (9)(a) of section
22 13-3108.

23 (3)(a) Ten percent of the funds appropriated to a city of the
24 metropolitan class under subdivision (2)(a) of this section and all of
25 the funds appropriated to a city of the metropolitan class under
26 subdivision (2)(b) of this section shall be equally distributed to areas
27 with a high concentration of poverty. Fifty-five percent of such funds
28 shall be used to showcase important historical aspects of such areas or
29 areas within close geographic proximity of the area with a high
30 concentration of poverty and to assist with the reduction of street and
31 gang violence in such areas. Forty-five percent of such funds shall be

1 used to assist with small business and entrepreneurship growth in such
2 areas.

3 (b) Each area with a high concentration of poverty that has been
4 distributed funds under subdivision (3)(a) of this section shall
5 establish a development fund and form a committee which shall identify
6 and research potential projects to be completed in the area with a high
7 concentration of poverty or in an area within close geographic proximity
8 of such area if the project would have a significant or demonstrable
9 impact on such area and make final determinations on the use of the funds
10 received for such projects.

11 (c) A committee formed under subdivision (3)(b) of this section
12 shall include the following members:

13 (i) The member of the city council whose district includes a
14 majority of the census tracts which each contain a percentage of persons
15 below the poverty line of greater than thirty percent, as determined by
16 the most recent federal decennial census, within the area with a high
17 concentration of poverty;

18 (ii) The commissioner of the county whose district includes a
19 majority of the census tracts which each contain a percentage of persons
20 below the poverty line of greater than thirty percent, as determined by
21 the most recent federal decennial census, within the area with a high
22 concentration of poverty;

23 (iii) Two residents of the area with a high concentration of
24 poverty, appointed by the two members of the committee described in
25 subdivisions (3)(c)(i) and (ii) of this section. Such resident members
26 shall be appointed for four-year terms. Each time a resident member is to
27 be appointed pursuant to this subdivision, the committee shall solicit
28 applications from interested individuals by posting notice of the open
29 position on the city's website and on the city's official social media
30 accounts, if any, and by publishing the notice in a legal newspaper in or
31 of general circulation in the area with a high concentration of poverty.

1 Applications may be submitted to either of the committee members
2 described in subdivisions (3)(c)(i) and (ii) of this section. Prior to
3 making any appointment, the committee shall hold a public hearing in the
4 area with a high concentration of poverty. Notice of the hearing shall be
5 provided, at least seven days prior to the hearing, by posting the notice
6 on the city's website and on the city's official social media accounts,
7 if any, and by publishing the notice in a legal newspaper in or of
8 general circulation in the area with a high concentration of poverty; and

9 (iv) The member of the Legislature whose district includes a
10 majority of the census tracts which each contain a percentage of persons
11 below the poverty line of greater than thirty percent, as determined by
12 the most recent federal decennial census, within the area with a high
13 concentration of poverty. The member described in this subdivision shall
14 be a nonvoting member of the committee.

15 (d) A committee formed under subdivision (3)(b) of this section
16 shall solicit project ideas from the public and shall hold a public
17 hearing in the area with a high concentration of poverty. Notice of a
18 proposed hearing shall be provided in accordance with the procedures for
19 notice of a public hearing pursuant to section 18-2115.01. The committee
20 shall research potential projects and make the final determination
21 regarding the annual distribution of funding to such projects.

22 (e) For any committee formed under subdivision (3)(b) of this
23 section:

24 (i) The two committee members described in subdivisions (3)(c)(i)
25 and (ii) of this section shall share joint responsibility of all
26 committee operations and meetings. Applications for funding may be
27 submitted to either of such members; and

28 (ii) All applications, reports, and other records of the committee
29 shall be accessible to any member of the committee.

30 (f) Each recipient of funding from a committee formed under
31 subdivision (3)(b) of this section shall submit an itemized report to

1 such committee on the use of such funds. A recipient shall not be
2 eligible to receive funding for more than three consecutive years unless
3 such recipient is able to justify continued funding based on the
4 following criteria:

- 5 (i) The number of people served by the project;
- 6 (ii) The relevance and scale of the project;
- 7 (iii) The desirability of the social or environmental outcomes of
8 the project and how such outcomes will be achievable and measurable;
- 9 (iv) The economic impact on the area with a high concentration of
10 poverty; and
- 11 (v) The recipient's sustainability plan.

12 (g) On or before July 1, 2022, and on or before July 1 of each year
13 thereafter, a committee formed under subdivision (3)(b) of this section
14 shall electronically submit a report to the Legislature which includes:

- 15 (i) A description of the projects that were funded during the most
16 recently completed calendar year;
- 17 (ii) A description of where such projects were located;
- 18 (iii) A description of the outcomes of such projects; and
- 19 (iv) A ten-year strategic plan on how the committee plans to meet
20 the goals described in subdivision (3)(a) of this section.

21 (h) For purposes of this subsection, an area with a high
22 concentration of poverty means an area within the corporate limits of a
23 city of the metropolitan class consisting of one or more contiguous
24 census tracts, as determined by the most recent federal decennial census,
25 which contain a percentage of persons below the poverty line of greater
26 than thirty percent, and all census tracts contiguous to such tract or
27 tracts, as determined by the most recent federal decennial census.

28 (4)(a) Ten percent of the funds appropriated to a city of the
29 primary class under subdivision (2)(a) of this section may, if the city
30 determines by consent of the city council that such funds are not
31 currently needed for the purposes described in section 13-2604, be used

1 as follows:

2 (i) For investment in the construction of qualified low-income
3 housing projects as defined in 26 U.S.C. 42, including qualified projects
4 receiving Nebraska affordable housing tax credits under the Affordable
5 Housing Tax Credit Act; or

6 (ii) If there are no such qualified low-income housing projects as
7 defined in 26 U.S.C. 42 being constructed or expected to be constructed
8 within the political subdivision, for investment in areas with a high
9 concentration of poverty to assist with low-income housing needs.

10 (b) For purposes of this subsection, an area with a high
11 concentration of poverty means an area within the corporate limits of a
12 city of the primary class consisting of one or more contiguous census
13 tracts, as determined by the most recent American Community Survey 5-Year
14 Estimate, which contain a percentage of persons below the poverty line of
15 greater than thirty percent, and all census tracts contiguous to such
16 tract or tracts, as determined by the most recent American Community
17 Survey 5-Year Estimate.

18 (5) State assistance to the political subdivision shall no longer be
19 available upon the retirement of the bonds issued to acquire, construct,
20 improve, repair, replace, or equip all of the political subdivision's
21 facilities ~~facility~~ or any subsequent bonds that refunded the original
22 issue or when state assistance reaches the amount determined under
23 subdivision (2)(a) of this section, whichever comes first.

24 (6) The remaining thirty percent of state sales tax revenue
25 collected by retailers and operators doing business at such facilities on
26 sales at such facilities, state sales tax revenue collected on primary
27 and secondary box office sales of admissions to such facilities, and
28 state sales tax revenue collected by associated hotels and nearby
29 retailers, shall be appropriated by the Legislature to the Civic and
30 Community Center Financing Fund. Upon the annual certification required
31 pursuant to section 13-2609 and following the transfer to the Convention

1 Center Support Fund required pursuant to subsection (1) of this section,
2 the State Treasurer shall transfer an amount equal to the remaining
3 thirty percent from the Convention Center Support Fund to the Civic and
4 Community Center Financing Fund.

5 (7) Any municipality that has applied for and received a grant of
6 assistance under the Civic and Community Center Financing Act may not
7 receive state assistance under the Convention Center Facility Financing
8 Assistance Act.

9 Sec. 22. Section 13-2611, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 13-2611 (1) The applicant political subdivision may issue from time
12 to time its bonds and refunding bonds to finance and refinance the
13 acquisition, construction, improving, repairing, replacing, and equipping
14 of eligible facilities and appurtenant public facilities that are a part
15 of the same project or projects. The bonds may be sold by the applicant
16 in such manner and for such price as the applicant determines, at a
17 discount, at par, or at a premium, at private negotiated sale or at
18 public sale, after notice published prior to the sale in a legal
19 newspaper having general circulation in the political subdivision or in
20 such other medium of publication of notice of sale as the applicant deems
21 appropriate. The bonds shall have a stated maturity of forty ~~thirty~~ years
22 or less and shall bear interest at such rate or rates and otherwise be
23 issued in accordance with the respective procedures and with such other
24 terms and provisions as are established, permitted, or authorized by
25 applicable state laws and home rule charters for the type of bonds to be
26 issued. Such bonds may be secured as to payment in whole or in part by a
27 pledge, as shall be determined by the applicant, from the income,
28 proceeds, and revenue of the eligible facilities financed with proceeds
29 of such bonds, from the income, proceeds, and revenue of any of its
30 eligible facilities, or from its revenue and income, including its sales,
31 use, or occupation tax revenue, fees, appropriations, or receipts, as may

1 be determined by the applicant. The applicant may further secure the
2 bonds by a mortgage or deed of trust encumbering all or any portion of
3 the eligible facilities and by a bond insurance policy or other credit
4 support facility. No general obligation bonds, except refunding bonds,
5 shall be issued until authorized by greater than fifty percent of the
6 applicant's electors voting on the question as to their issuance at any
7 election as defined in section 32-108. The face of the bonds shall
8 plainly state that the bonds and the interest thereon shall not
9 constitute nor give rise to an indebtedness, obligation, or pecuniary
10 liability of the state nor a charge against the general credit, revenue,
11 or taxing power of the state. Bonds of the applicant are declared to be
12 issued for an essential public and governmental purpose and, together
13 with interest thereon and income therefrom, shall be exempt from all
14 state income taxes.

15 (2) All payments to political subdivisions under the Convention
16 Center Facility Financing Assistance Act are made subject to specific
17 appropriation for such purpose. Nothing in the act precludes the
18 Legislature from amending or repealing the act at any time.

19 Sec. 23. Section 13-2612, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 13-2612 The board shall not accept applications for assistance under
22 the Convention Center Facility Financing Assistance Act after December
23 31, 2030 ~~2012~~.

24 Sec. 24. Section 13-2706, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 13-2706 (1) Except as provided in subsection (2) of this section for
27 a city of the primary class, any municipality that has applied for and
28 received a grant of assistance under the Sports Arena Facility Financing
29 Assistance Act shall not receive state assistance under the Civic and
30 Community Center Financing Act for the same project for which the grant
31 was awarded under the Sports Arena Facility Financing Assistance Act.

1 (2) A city of the primary class shall not be eligible to receive a
2 grant of assistance from the Civic and Community Center Financing Act if
3 the city has applied for and received a grant of assistance under the
4 Sports Arena Facility Financing Assistance Act.

5 (3) Any city that has received funding under the Convention Center
6 Facility Financing Assistance Act shall not receive state assistance
7 under the Civic and Community Center Financing Act.

8 (4) From July 1, 2023, to June 30, 2024, a municipality shall be
9 eligible for a grant of assistance under the Civic and Community Center
10 Financing Act only if such municipality (a) partners with a certified
11 creative district and (b) is not prohibited from receiving a grant of
12 assistance under subsection (1), (2), or (3) of this section.
13 Notwithstanding the limitations on the amount of grants of assistance in
14 section 13-2705, the department may award grants of assistance to
15 qualifying municipalities in amounts set by the Nebraska Arts Council,
16 which shall not be less than one hundred thousand dollars. The department
17 shall coordinate with the Nebraska Arts Council for purposes of setting
18 such amounts ~~amount of any grant of assistance for a municipality~~
19 ~~partnering with a certified creative district shall not be less than one~~
20 ~~hundred thousand dollars or more than two hundred fifty thousand dollars,~~
21 ~~regardless of the population of the municipality.~~ For purposes of this
22 subsection, certified creative district means a creative district
23 certified pursuant to subdivision (5) of section 82-312. After June 30,
24 2024, this subsection no longer applies.

25 (5) Any municipality eligible for a grant of assistance as provided
26 in this section may apply for a grant of assistance from the fund. Any
27 tribal government may apply for a grant of assistance from the fund.
28 Application shall be made on forms developed by the department.

29 Sec. 25. Section 13-3102, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 13-3102 For purposes of the Sports Arena Facility Financing

1 Assistance Act:

2 (1) Applicant means a political subdivision; ÷

3 ~~(a) A political subdivision; or~~

4 ~~(b) A political subdivision and nonprofit organization that jointly~~
5 ~~submit an application under the act;~~

6 (2) Board means a board consisting of the Governor, the State
7 Treasurer, the chairperson of the Nebraska Investment Council, the
8 chairperson of the Nebraska State Board of Public Accountancy, and a
9 professor of economics on the faculty of a state postsecondary
10 educational institution appointed to a two-year term on the board by the
11 Coordinating Commission for Postsecondary Education. For administrative
12 and budget purposes only, the board shall be considered part of the
13 Department of Revenue;

14 (3) Bond means a general obligation bond, redevelopment bond, lease-
15 purchase bond, revenue bond, or combination of any such bonds;

16 (4) Concert venue means any enclosed, temperature-controlled
17 building that is primarily used for live performances with an indoor
18 capacity of at least two thousand two hundred fifty but no more than
19 three thousand five hundred persons;

20 (5) ~~(4)~~ Court means a rectangular hard surface primarily used
21 indoors for competitive sports, including, but not limited to,
22 basketball, volleyball, or tennis;

23 (6) ~~(5)~~ Date that the project commenced means the date when a
24 project starts as specified by a contract, resolution, or formal public
25 announcement;

26 (7) ~~(6)~~ Economic redevelopment area means an area in the State of
27 Nebraska in which:

28 (a) The average rate of unemployment in the area during the period
29 covered by the most recent federal decennial census or American Community
30 Survey 5-Year Estimate by the United States Bureau of the Census is at
31 least one hundred fifty percent of the average rate of unemployment in

1 the state during the same period; and

2 (b) The average poverty rate in the area is twenty percent or more
3 for the federal census tract in the area;

4 (8) ~~(7)~~ Eligible sports arena facility means:

5 (a) Any publicly owned, enclosed, and temperature-controlled
6 building primarily used for sports that has a permanent seating capacity
7 of at least three thousand but no more than seven thousand seats and in
8 which initial occupancy occurs on or after July 1, 2010, including
9 stadiums, arenas, dressing and locker facilities, concession areas,
10 parking facilities, ~~nearby parking facilities for the use of the eligible~~
11 ~~sports arena facility,~~ and onsite administrative offices connected with
12 operating the facilities;

13 (b) Any publicly owned racetrack enclosure licensed by the State
14 Racing and Gaming Commission in which initial occupancy occurs on or
15 after July 1, 2010, including concession areas, parking facilities, and
16 onsite administrative offices connected with operating the racetrack;~~and~~

17 (c) Any publicly owned sports complex, including concession areas,
18 parking facilities, and onsite administrative offices connected with
19 operating the sports complex; and

20 (d) Any privately owned concert venue, including stages, dressing
21 rooms, concession areas, parking facilities, lobby areas, and onsite
22 administrative offices used in operating the concert venue;

23 (9) ~~(8)~~ General obligation bond means any bond or refunding bond
24 issued by a political subdivision and which is primarily payable from the
25 proceeds of an ad valorem tax;

26 (10) ~~(9)~~ Increase in state sales tax revenue means the amount of
27 state sales tax revenue collected by a nearby retailer during the fiscal
28 year for which state assistance is calculated minus the amount of state
29 sales tax revenue collected by the nearby retailer in the fiscal year
30 that ended immediately preceding the project completion date of the
31 eligible sports arena facility, except that the amount of state sales tax

1 revenue of a nearby retailer shall not be less than zero;

2 ~~(11)~~ ~~(10)~~ Multipurpose field means a rectangular field of grass or
3 synthetic turf which is primarily used for competitive field sports,
4 including, but not limited to, soccer, football, flag football, lacrosse,
5 or rugby;

6 ~~(12)~~ ~~(11)~~ Nearby parking facility means any publicly owned parking
7 lot, parking garage, or other parking structure that (a) is not directly
8 connected to an eligible sports arena facility but which is located, in
9 whole or in part, within seven hundred yards of an eligible sports arena
10 facility described in subdivision (8)(a) or (8)(d) of this section,
11 measured from any point of the exterior perimeter of such facility but
12 not from any other parking facility or other structure and (b) is not
13 directly connected to such eligible sports arena facility. A nearby
14 parking facility located within seven hundred yards of an eligible sports
15 arena facility described in subdivision (8)(d) of this section must also
16 be located in a city of the first class;

17 ~~(13)~~ ~~(12)~~ Nearby retailer means a retailer as defined in section
18 77-2701.32 that is located within the program area. The term includes a
19 subsequent owner of a nearby retailer operating at the same location;

20 ~~(14)~~ ~~(13)~~ New state sales tax revenue means:

21 (a) For any eligible sports arena facility that is not a sports
22 complex:

23 (i) One hundred percent of the state sales tax revenue that (A) is
24 collected by a nearby retailer that commenced collecting state sales tax
25 during the period of time beginning twenty-four months prior to the
26 project completion date of the eligible sports arena facility and ending
27 forty-eight months after the project completion date of the eligible
28 sports arena facility or, for applications for state assistance approved
29 prior to October 1, 2016, forty-eight months after October 1, 2016, and
30 (B) is sourced under sections 77-2703.01 to 77-2703.04 to the program
31 area; and

1 (ii) The increase in state sales tax revenue that (A) is collected
2 by a nearby retailer that commenced collecting state sales tax prior to
3 twenty-four months prior to the project completion date of the eligible
4 sports arena facility and (B) is sourced under sections 77-2703.01 to
5 77-2703.04 to the program area; or

6 (b) For any eligible sports arena facility that is a sports complex,
7 one hundred percent of the state sales tax revenue that (i) is collected
8 by a nearby retailer that commenced collecting state sales tax during the
9 period of time beginning on the date that the project commenced and
10 ending forty-eight months after the project completion date of the
11 eligible sports arena facility and (ii) is sourced under sections
12 77-2703.01 to 77-2703.04 to the program area;

13 (15) (14) Political subdivision means (a) any city, village, or
14 county or (b) a joint entity formed under the Interlocal Cooperation Act
15 which includes a city, village, or county as a member;

16 (16) (15) Program area means:

17 (a) For any eligible sports arena facility that is not a sports
18 complex:

19 (i) For applications for state assistance submitted prior to October
20 1, 2016, the area that is located within six hundred yards of an eligible
21 sports arena facility, measured from any point of the exterior perimeter
22 of the facility but not from any parking facility or other structure; or

23 (ii) For applications for state assistance submitted on or after
24 October 1, 2016, the area that is located within six hundred yards of an
25 eligible sports arena facility, measured from any point of the exterior
26 perimeter of the facility but not from any parking facility or other
27 structure, except that if twenty-five percent or more of such area is
28 unbuildable property, then the program area shall be adjusted so that:

29 (A) It avoids as much of the unbuildable property as is practical;
30 and

31 (B) It contains contiguous property with the same total amount of

1 square footage that the program area would have contained had no
2 adjustment been necessary; or

3 (b) For any eligible sports arena facility that is a sports complex,
4 the area that is located within six hundred yards of an eligible sports
5 arena facility, measured from any point of the exterior boundary or
6 property line of the facility.

7 Approval of an application for state assistance by the board
8 pursuant to section 13-3106 shall establish the program area as that area
9 depicted in the map accompanying the application for state assistance as
10 submitted pursuant to subdivision ~~(1)(b)~~ ~~(2)(e)~~ of section 13-3104;

11 ~~(17)~~ ~~(16)~~ Project completion date means:

12 (a) For projects involving the acquisition or construction of a
13 publicly owned an eligible sports arena facility, the date of initial
14 occupancy of the facility following the completion of such acquisition or
15 construction; or

16 (b) For all other projects, the date of completion of the project
17 for which state assistance is received;

18 ~~(18)~~ ~~(17)~~ Revenue bond means any bond or refunding bond issued by a
19 political subdivision which is limited or special rather than a general
20 obligation bond of the political subdivision and which is not payable
21 from the proceeds of an ad valorem tax;

22 ~~(19)~~ ~~(18)~~ Sports complex means a facility that:

23 (a) Includes indoor areas, outdoor areas, or both;

24 (b) Is primarily used for competitive sports; and

25 (c) Contains at least:

26 (i) Twelve separate sports venues if such facility is located in a
27 city of the metropolitan class;

28 (ii) Six separate sports venues if such facility is located in a
29 city of the primary class; or

30 (iii) Four separate sports venues if such facility is located (A) in
31 a city of the first class, city of the second class, or village, (B)

1 within a county but outside the corporate limits of any city or village,
2 (C) in an economic redevelopment area, or (D) in an opportunity zone
3 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law
4 115-97;

5 (20) ~~(19)~~ Sports venue includes, but is not limited to:

6 (a) A baseball field;

7 (b) A softball field;

8 (c) A multipurpose field;

9 (d) An outdoor stadium primarily used for competitive sports;

10 (e) An outdoor arena primarily used for competitive sports; or

11 (f) An enclosed, temperature-controlled building primarily used for
12 competitive sports. If any such building contains more than one
13 multipurpose field, court, swimming pool, or other facility primarily
14 used for competitive sports, then each such multipurpose field, court,
15 swimming pool, or facility shall count as a separate sports venue; and

16 (21) ~~(20)~~ Unbuildable property means any real property that is
17 located in a floodway, an environmentally protected area, a right-of-way,
18 or a brownfield site as defined in 42 U.S.C. 9601 that the political
19 subdivision determines is not suitable for the construction or location
20 of residential, commercial, or other buildings or facilities.

21 Sec. 26. Section 13-3103, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 13-3103 (1) Any applicant may apply to the board for state
24 assistance if that ~~has~~ (a) the applicant has acquired, constructed,
25 improved, or equipped a publicly owned eligible sports arena facility,
26 (b) the applicant has approved a revenue bond issue or a general
27 obligation bond issue to acquire, construct, improve, or equip a publicly
28 owned eligible sports arena facility, ~~or~~ (c) the applicant has adopted a
29 resolution authorizing the applicant to pursue a general obligation bond
30 issue to acquire, construct, improve, or equip a publicly owned an
31 eligible sports arena facility, or (d) a building permit has been issued

1 within the applicant's jurisdiction for an eligible sports arena facility
2 that is a privately owned concert venue ~~may apply to the board for state~~
3 ~~assistance.~~

4 (2) Except as provided in subsection (3) of this section, the ~~The~~
5 ~~state assistance shall only be used by the applicant to pay back amounts~~
6 ~~expended or borrowed through one or more issues of bonds to be expended~~
7 ~~by the applicant to acquire, construct, improve, or equip a publicly~~
8 ~~owned the eligible sports arena facility or and to acquire, construct,~~
9 ~~improve, or equip nearby parking facility facilities.~~

10 (3) For an eligible sports arena facility that is a privately owned
11 concert venue, the state assistance shall only be used by the applicant
12 (a) to pay back amounts expended or borrowed through one or more issues
13 of bonds to be expended by the applicant to acquire, construct, improve,
14 or equip a nearby parking facility or (b) to promote arts and cultural
15 events which are open to or made available to the general public.

16 (4) ~~(3)~~ For applications for state assistance approved on or after
17 October 1, 2016, (a) no more than fifty percent of the final cost of the
18 publicly owned eligible sports arena facility or nearby parking facility
19 ~~project~~ shall be funded by state assistance received pursuant to section
20 13-3108 and (b) no more than ten years of funding for promotion of the
21 arts and cultural events shall be paid by state assistance received
22 pursuant to section 13-3108.

23 Sec. 27. Section 13-3104, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 13-3104 (1) All applications for state assistance under the Sports
26 Arena Facility Financing Assistance Act shall be in writing and shall
27 include (a) a certified copy of the approving action of the governing
28 body of the applicant describing the proposed project for which state
29 assistance is requested and the anticipated financing and (b) a map
30 identifying the program area, including any unbuildable property within
31 the program area or taken into account in adjusting the program area as

1 described in subdivision (16)(a)(ii) of section 13-3102.

2 (2) Except as provided in subsection (3) of this section, the The
3 application shall contain:

4 (a) A description of the ~~proposed~~ financing of the project,
5 including the estimated principal and interest requirements for the bonds
6 proposed to be issued or issued in connection with the improvements
7 ~~project~~ or the amounts necessary to repay the original investment by the
8 applicant in the improvements project;

9 (b) Documentation of local financial commitment to support the
10 project, including all public and private resources pledged or committed
11 to the project and including a copy of any operating agreement or lease
12 with substantial users of the eligible sports arena facility or nearby
13 parking facility; and

14 ~~(c) For applications submitted on or after October 1, 2016, a map~~
15 ~~identifying the program area, including any unbuildable property within~~
16 ~~the program area or taken into account in adjusting the program area as~~
17 ~~described in subdivision (15)(a)(ii) of section 13-3102; and~~

18 ~~(c) (d)~~ Any other project information deemed appropriate by the
19 board.

20 (3) If the state assistance will be used to provide funding for
21 promotion of the arts and cultural events, the application shall contain:

22 (a) A detailed description of the programs contemplated and how such
23 programs will be in furtherance of the applicant's public use or public
24 purpose if such funds are to be expended through one or more private
25 organizations; and

26 (b) Any other program information deemed appropriate by the board.

27 (4) ~~(3)~~ Upon receiving an application for state assistance, the
28 board shall review the application and notify the applicant of any
29 additional information needed for a proper evaluation of the application.

30 (5) ~~(4)~~ Any state assistance received pursuant to the act shall be
31 used only for the public purposes of the political subdivision that

1 applied for such assistance.

2 Sec. 28. Section 13-3108, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 13-3108 (1) The Sports Arena Facility Support Fund is created. Any
5 money in the fund available for investment shall be invested by the state
6 investment officer pursuant to the Nebraska Capital Expansion Act and the
7 Nebraska State Funds Investment Act.

8 (2)(a) Upon receiving the certification described in subsection (3)
9 of section 13-3107, the State Treasurer shall transfer the amount
10 certified to the fund.

11 (b) Upon receiving the quarterly certification described in
12 subsection (4) of section 13-3107, the State Treasurer shall transfer the
13 amount certified to the fund.

14 (3)(a) It is the intent of the Legislature to appropriate from the
15 fund money to be distributed as provided in subsections (4) and (5) of
16 this section to any political subdivision for which an application for
17 state assistance under the Sports Arena Facility Financing Assistance Act
18 has been approved an amount not to exceed seventy percent of the (i)
19 state sales tax revenue collected by retailers doing business at eligible
20 sports arena facilities on sales at such facilities, (ii) state sales tax
21 revenue collected on primary and secondary box office sales of admissions
22 to such facilities, and (iii) new state sales tax revenue collected by
23 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04 to
24 the program area.

25 (b) The amount to be appropriated for distribution as state
26 assistance to a political subdivision under this subsection for any one
27 year after the tenth year shall not exceed the highest such amount
28 appropriated under subdivision (3)(a) of this section during any one year
29 of the first ten years of such appropriation. If seventy percent of the
30 state sales tax revenue as described in subdivision (3)(a) of this
31 section exceeds the amount to be appropriated under this subdivision,

1 such excess funds shall be transferred to the General Fund.

2 (4) The amount certified under subsection (3) of section 13-3107
3 shall be distributed as state assistance on or before April 15, 2014.

4 (5) Beginning in 2014, quarterly distributions and associated
5 transfers of state assistance shall be made. Such quarterly distributions
6 and transfers shall be based on the certifications provided under
7 subsection (4) of section 13-3107 and shall occur within fifteen days
8 after receipt of such certification.

9 (6) The total amount of state assistance approved for a project ~~an~~
10 ~~eligible sports arena facility~~ shall not exceed one hundred million
11 dollars.

12 (7)(a) Except as provided in subdivision (7)(b) of this section,
13 state ~~(7) State~~ assistance to the political subdivision shall no longer
14 be available upon the retirement of the bonds issued to acquire,
15 construct, improve, or equip the eligible sports arena facility or nearby
16 parking facility or any subsequent bonds that refunded the original issue
17 or when state assistance reaches the amount determined under subsection
18 (6) of this section, whichever comes first.

19 (b) If the state assistance will be used to provide funding for
20 promotion of the arts and cultural events, such state assistance to the
21 political subdivision shall no longer be available after ten years of
22 funding or when state assistance reaches the amount determined under
23 subsection (6) of this section, whichever comes first.

24 (8) State assistance shall not be used for an operating subsidy for
25 any publicly owned eligible sports arena facility or nearby parking
26 facility.

27 (9) The thirty percent of state sales tax revenue remaining after
28 the appropriation and transfer in subsection (3) of this section shall be
29 appropriated by the Legislature and transferred quarterly as follows:

30 (a) If the revenue relates to an eligible sports arena facility that
31 is a sports complex and that is approved for state assistance under

1 section 13-3106 on or after May 26, 2021, eighty-three percent of such
2 revenue shall be transferred to the Support the Arts Cash Fund and
3 seventeen percent of such revenue shall be transferred to the Convention
4 Center Support Fund; and

5 (b) If the revenue relates to any other eligible sports arena
6 facility, such revenue shall be transferred to the Civic and Community
7 Center Financing Fund.

8 (10) Except as provided in subsection (11) of this section for a
9 city of the primary class, any municipality that has applied for and
10 received a grant of assistance under the Civic and Community Center
11 Financing Act shall not receive state assistance under the Sports Arena
12 Facility Financing Assistance Act for the same project for which the
13 grant was awarded under the Civic and Community Center Financing Act.

14 (11) A city of the primary class shall not be eligible to receive a
15 grant of assistance from the Civic and Community Center Financing Act if
16 the city has applied for and received a grant of assistance under the
17 Sports Arena Facility Financing Assistance Act.

18 Sec. 29. Section 13-3109, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 13-3109 (1) A political subdivision that applies for state
21 assistance under the Sports Arena Facility Financing Assistance Act may
22 issue from time to time its bonds and refunding bonds to finance and
23 refinance the acquisition, construction, improving, and equipping of
24 publicly owned eligible sports arena facilities and nearby parking
25 facilities. The bonds may be sold by the political subdivision in such
26 manner and for such price as the political subdivision determines, at a
27 discount, at par, or at a premium, at private negotiated sale or at
28 public sale, after notice published prior to the sale in a legal
29 newspaper having general circulation in the political subdivision or in
30 such other medium of publication as the political subdivision deems
31 appropriate. The bonds shall have a stated maturity of twenty years or

1 less and shall bear interest at such rate or rates and otherwise be
2 issued in accordance with the respective procedures and with such other
3 terms and provisions as are established, permitted, or authorized by
4 applicable state laws and home rule charters for the type of bonds to be
5 issued. Such bonds may be secured as to payment in whole or in part by a
6 pledge, as shall be determined by the political subdivision, from the
7 income, proceeds, and revenue of the eligible sports arena facilities or
8 nearby parking facilities financed with proceeds of such bonds, from the
9 income, proceeds, and revenue of any of its eligible sports arena
10 facilities or nearby parking facilities, or from its revenue and income,
11 including its sales, use, or occupation tax revenue, fees, or receipts,
12 as may be determined by the political subdivision. The political
13 subdivision may further secure the bonds by a mortgage or deed of trust
14 encumbering all or any portion of the publicly owned eligible sports
15 arena facilities or nearby parking facilities and by a bond insurance
16 policy or other credit support facility. No general obligation bonds,
17 except refunding bonds, shall be issued pursuant to this section until
18 authorized by greater than fifty percent of the political subdivision's
19 electors voting on the question as to their issuance at any election as
20 defined in section 32-108. The face of the bonds shall plainly state that
21 the bonds and the interest thereon shall not constitute nor give rise to
22 an indebtedness, obligation, or pecuniary liability of the state nor a
23 charge against the general credit, revenue, or taxing power of the state.
24 Bonds of the political subdivision are declared to be issued for an
25 essential public and governmental purpose and, together with interest
26 thereon and income therefrom, shall be exempt from all state income
27 taxes.

28 (2) All payments to political subdivisions under the Sports Arena
29 Facility Financing Assistance Act are made subject to specific
30 appropriation for such purpose.

31 Sec. 30. The Legislature finds that safe and modern highway

1 infrastructure is of great importance to Nebraska's residents,
2 agricultural economy, business economy, and future economic growth.
3 Furthermore, the Legislature finds that it is in the interest of Nebraska
4 taxpayers to leverage historically low interest rates to offset the
5 challenges that construction inflation and uncertain federal highway
6 funding pose to adequately financing the state's infrastructure needs. It
7 is the intent of the Legislature to conservatively utilize bond financing
8 by issuing bonds, not to exceed four hundred fifty million dollars in
9 principal and thirty-five million dollars in annual debt service for a
10 period of not more than nineteen years, in order to accelerate completion
11 of the highway construction projects identified and to be identified for
12 funding under the Build Nebraska Act.

13 Sec. 31. Upon the written recommendation of the Department of
14 Transportation, the commission, acting for and on behalf of the state,
15 may issue from time to time bonds under the Nebraska Highway Bond Act by
16 resolution as described in section 39-2209 in such principal amounts as
17 determined by the commission for the purpose of accelerating completion
18 of the highway construction projects identified and to be identified for
19 funding under the Build Nebraska Act. The principal amounts, interest
20 rates, maturities, redemption provisions, sale prices, and other terms of
21 the bonds so authorized to be issued shall be in accordance with terms or
22 conditions established by the commission. No bonds shall be issued after
23 June 30, 2029, except for refunding bonds issued in accordance with the
24 Nebraska Highway Bond Act. The proceeds from the sale of any bonds
25 issued, net of costs of issuance, capitalized interest, and necessary or
26 appropriate reserve funds, shall be deposited in the State Highway
27 Capital Improvement Fund for use pursuant to the Build Nebraska Act. The
28 commission is hereby granted all powers necessary or convenient to carry
29 out the purposes and exercise the powers granted by the Nebraska Highway
30 Bond Act. Bonds shall be paid off by June 30, 2042.

31 Sec. 32. The bonds issued pursuant to section 31 of this act shall

1 be special obligations of the state payable solely and only from the
2 State Highway Capital Improvement Fund and any other funds specifically
3 pledged by the commission for such purpose, and neither the members of
4 the commission nor any person executing the bonds shall be liable
5 thereon. Such bonds shall not be a general obligation or debt of the
6 state, and they shall contain on the face thereof a statement to such
7 effect. Such bonds, and the transfer of and the income from any such
8 bonds, shall be exempt from all taxation and assessments in this state.
9 In the resolution authorizing the bonds, the commission may waive the
10 exemption from federal income taxation for interest on the bonds.

11 Sec. 33. Section 39-2205, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 39-2205 Bonds may be issued under the Nebraska Highway Bond Act only
14 to the extent that the annual aggregate principal and interest
15 requirements, in the calendar year in which such bonds are issued and in
16 each calendar year thereafter until the scheduled maturity of such bonds,
17 on such bonds and on all other bonds theretofore issued and to be
18 outstanding and unpaid upon the issuance of such bonds shall not exceed
19 the amount which is equal to fifty percent of the money deposited in the
20 fund, the State Highway Capital Improvement Fund, or the bond fund, as
21 the case may be, from which such bonds shall be paid during the calendar
22 year preceding the issuance of the bonds proposed to be issued. This
23 section shall not apply to the first issuance of each series of bonds
24 authorized by the Legislature.

25 If short-term bonds are issued in anticipation of the issuance of
26 long-term refunding bonds and such short-term bonds are secured by
27 insurance or a letter of credit or similar guarantee issued by a
28 financial institution rated by a national rating agency in one of the two
29 highest categories of bond ratings, then, for the purposes of the
30 Nebraska Highway Bond Act, when determining the amount of short-term
31 bonds that may be issued and the amount of taxes, fees, or other money to

1 be deposited in any fund for the payment of bonds issued under the act,
2 the annual aggregate principal and interest payments on the short-term
3 bonds shall be deemed to be such payments thereon, except that the final
4 principal payment shall not be that specified in the short-term bonds but
5 shall be the principal and all interest payments required to reimburse
6 the issuer of the insurance policy or letter of credit or similar
7 guarantee pursuant to the reimbursement agreement between the commission
8 and such issuer.

9 Sec. 34. Section 39-2209, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 39-2209 Any resolution or resolutions of the commission authorizing
12 any bonds or any issue thereof may contain provisions, consistent with
13 the Nebraska Highway Bond Act and not in derogation or limitation of such
14 act, which shall be a part of the contract with the holders thereof, as
15 to:

16 (1) Pledging all or any part of the money in the fund, the State
17 Highway Capital Improvement Fund, or the ~~or~~ bond fund, as the case may
18 be, to secure the payment of the bonds, subject to such agreements with
19 the bondholders as may then prevail;

20 (2) The use and disposition of money in the fund, the State Highway
21 Capital Improvement Fund, or the ~~or~~ bond fund;

22 (3) The setting aside of reserves, sinking funds, or arbitrage
23 rebate funds and the funding, regulation, and disposition thereof;

24 (4) Limitations on the purpose to which the proceeds from the sale
25 of bonds may be applied;

26 (5) Limitations on the issuance of additional bonds and on the
27 retirement of outstanding or other bonds pursuant to the Nebraska Highway
28 Bond Act;

29 (6) The procedure by which the terms of any agreement with
30 bondholders may be amended or abrogated, the amount of bonds the holders
31 of which must consent thereto, and the manner in which such consent may

1 be given;

2 (7) Vesting in a bank or trust company as paying agent such rights,
3 powers, and duties as the commission may determine, vesting in a trustee
4 appointed by the bondholders pursuant to the Nebraska Highway Bond Act
5 such rights, powers, and duties as the commission may determine, and
6 limiting or abrogating the right of the bondholders to appoint a trustee
7 under such act or limiting the rights, powers, and duties of such
8 trustee;

9 (8) Providing for a municipal bond insurance policy, surety bond,
10 letter of credit, or other credit support facility or liquidity facility;
11 and

12 (9) Any other matters, of like or different character, which in any
13 way affect the security or protection of the bonds.

14 Sec. 35. Section 39-2211, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 39-2211 In addition to the powers conferred upon the commission to
17 secure the bonds in the Nebraska Highway Bond Act, the commission shall
18 have power in connection with the issuance of bonds to enter into such
19 agreements, consistent with the act and not in derogation or limitation
20 of the act, as it may deem necessary, convenient, or desirable concerning
21 the use or disposition of the money in the fund, the State Highway
22 Capital Improvement Fund, or the ~~or~~ bond fund including the pledging or
23 creation of any security interest in such money and the doing of or
24 refraining from doing any act which the commission would have the right
25 to do to secure the bonds in the absence of such agreements. The
26 commission shall have the power to enter into amendments of any such
27 agreements, consistent with the Nebraska Highway Bond Act and not in
28 derogation or limitation of the act, within the powers granted to the
29 commission by the act and to perform such agreements. The provisions of
30 any such agreements may be made a part of the contract with the holders
31 of the bonds.

1 Sec. 36. Section 39-2212, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 39-2212 Any pledge or security instrument made by the commission
4 shall be valid and binding from the time when the pledge or security
5 instrument is made. The money in the fund, the State Highway Capital
6 Improvement Fund, or the ~~or~~ bond fund so pledged and entrusted shall
7 immediately be subject to the lien of such pledge or security instrument
8 upon the deposit thereof in the fund without any physical delivery
9 thereof or further act. The lien of any such pledge or security
10 instrument shall be valid and binding as against all parties having
11 subsequently arising claims of any kind in tort, contract, or otherwise,
12 irrespective of whether such parties have notice thereof. Neither the
13 resolution nor any security instrument or other instrument by which a
14 pledge or other security is created need be recorded or filed and the
15 commission shall not be required to comply with any of the provisions of
16 the Uniform Commercial Code.

17 Sec. 37. Section 39-2213, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 39-2213 The bonds shall be special obligations of the state payable
20 solely and only from the fund, the State Highway Capital Improvement
21 Fund, or the ~~or~~ bond fund, as the case may be, and neither the members of
22 the commission nor any person executing the bonds shall be liable
23 thereon. Such bonds shall not be a general obligation debt of this state
24 and they shall contain on the face thereof a statement to such effect.

25 Sec. 38. (1) If bonds are issued pursuant to subsection (3) of
26 section 39-2223, all sales and use taxes which are retained by the state
27 and allocated to the State Highway Capital Improvement Fund pursuant to
28 section 77-27,132 shall be hereby irrevocably pledged for the terms of
29 the bonds to the payment of the principal, interest, and redemption
30 premium, if any, of such bonds as they mature and become due at maturity
31 or prior redemption and for any reserves therefor and shall, as received

1 by the State Treasurer, be deposited directly in the State Highway
2 Capital Improvement Fund for such purpose. Of the money in the State
3 Highway Capital Improvement Fund not required for such purpose, such
4 remaining money may be used as prescribed in section 39-2704.

5 (2) The State Treasurer shall disburse the money in the State
6 Highway Capital Improvement Fund as directed by resolution of the
7 commission. All disbursements from the State Highway Capital Improvement
8 Fund shall be made upon warrants drawn by the Director of Administrative
9 Services. Any money in the State Highway Capital Improvement Fund
10 available for investment shall be invested by the state investment
11 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
12 State Funds Investment Act.

13 Sec. 39. Section 39-2216, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 39-2216 The Legislature hereby irrevocably pledges and agrees with
16 the holders of the bonds issued under the Nebraska Highway Bond Act that
17 so long as such bonds remain outstanding and unpaid it shall not repeal,
18 diminish, or apply to any other purposes the motor vehicle fuel taxes,
19 diesel fuel taxes, compressed fuel taxes, and alternative fuel fees
20 related to highway use, motor vehicle registration fees, sales and use
21 taxes credited to the State Highway Capital Improvement Fund pursuant to
22 section 77-27,132, and such other highway-user taxes which may be imposed
23 by state law and allocated to the fund, the State Highway Capital
24 Improvement Fund, or the ~~or~~ bond fund, as the case may be, if to do so
25 would result in fifty percent of the amount deposited in the fund, the
26 State Highway Capital Improvement Fund, or the ~~or~~ bond fund in each year
27 being less than the amount equal to the maximum annual principal and
28 interest requirements of such bonds.

29 Sec. 40. Section 39-2222, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 39-2222 Sections 39-2201 to 39-2226 and sections 30 to 32 and 38 of

1 this act shall be known and may be cited as the Nebraska Highway Bond
2 Act.

3 Sec. 41. Section 39-2223, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 39-2223 (1) Under the authority granted by Article XIII, section 1,
6 of the Constitution of Nebraska, the Legislature hereby authorizes the
7 issuance of bonds in the principal amount of twenty million dollars in
8 1969 and in the principal amount of twenty million dollars on or before
9 June 30, 1977, with the proceeds thereof to be used for the construction
10 of highways in this state, the Legislature expressly finding that the
11 need for such construction requires such action. Such bonds shall in all
12 respects comply with the provisions of Article XIII, section 1, of the
13 Constitution of Nebraska.

14 (2) Under the authority granted by Article XIII, section 1, of the
15 Constitution of Nebraska, the Legislature hereby authorizes after July 1,
16 1988, the issuance of bonds in a principal amount to be determined by the
17 commission, not to exceed fifty million dollars. The outstanding
18 principal amount of such bonds may exceed such limit if and to the extent
19 that the commission determines that the issuance of advance refunding
20 bonds under section 39-2226 in a principal amount greater than the bonds
21 to be refunded would reduce the aggregate bond principal and interest
22 requirements payable from the bond fund. The proceeds of such issues
23 shall be used exclusively (a) for the construction, resurfacing,
24 reconstruction, rehabilitation, and restoration of highways in this
25 state, the Legislature expressly finding that the need for such
26 construction and reconstruction work and the vital importance of the
27 highway system to the welfare and safety of all Nebraskans requires such
28 action, or (b) to eliminate or alleviate cash-flow problems resulting
29 from the receipt of federal funds. Such bonds shall in all respects
30 comply with the provisions of Article XIII, section 1, of the
31 Constitution of Nebraska.

1 (3) Under the authority granted by Article XIII, section 1, of the
2 Constitution of Nebraska, the Legislature hereby authorizes after July 1,
3 2023, in addition to the authority granted in subsections (1) and (2) of
4 this section, the issuance of bonds in one or more series in an aggregate
5 principal amount to be determined by the commission, not to exceed four
6 hundred fifty million dollars. The outstanding principal amount of such
7 bonds may exceed such limit if and to the extent that the commission
8 determines that the issuance of advance refunding bonds under section
9 39-2226 in a principal amount greater than the bonds to be refunded would
10 reduce the aggregate bond principal and interest requirements payable
11 from the State Highway Capital Improvement Fund. The proceeds of such
12 issues shall be used exclusively for purposes of the Build Nebraska Act,
13 the Legislature expressly finding that the need for such construction and
14 reconstruction work and the vital importance of the highway system to the
15 welfare and safety of all Nebraskans requires such action. Such bonds
16 shall in all respects comply with the provisions of Article XIII, section
17 1, of the Constitution of Nebraska.

18 Sec. 42. Section 39-2224, Revised Statutes Cumulative Supplement,
19 2022, is amended to read:

20 39-2224 (1) The proceeds of the sale of bonds authorized by
21 subsection (1) of section 39-2223 are hereby appropriated to the Highway
22 Cash Fund of the Department of Transportation, for the biennium ending
23 June 30, 1977, for expenditure for the construction of highways.

24 (2) The proceeds of the sale of bonds authorized by subsection (2)
25 of section 39-2223 are hereby appropriated to the Highway Cash Fund of
26 the Department of Transportation for expenditure for highway
27 construction, resurfacing, reconstruction, rehabilitation, and
28 restoration and for the elimination or alleviation of cash-flow problems
29 resulting from the receipt of federal funds.

30 (3) The proceeds of the sale of bonds authorized by subsection (3)
31 of section 39-2223 are hereby appropriated to the State Highway Capital

1 Improvement Fund of the Department of Transportation for use pursuant to
2 the Build Nebraska Act.

3 Sec. 43. Section 39-2703, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 39-2703 (1) The State Highway Capital Improvement Fund is created.
6 The fund shall consist of money credited to the fund pursuant to section
7 77-27,132, proceeds of bonds issued pursuant to subsection (3) of section
8 39-2223, and any other money as determined by the Legislature.

9 (2) The department may create or direct the creation of accounts
10 within the fund as the department determines to be appropriate and useful
11 in administering the fund.

12 (3) Any money in the fund available for investment shall be invested
13 by the state investment officer pursuant to the Nebraska Capital
14 Expansion Act and the Nebraska State Funds Investment Act. Investment
15 earnings from investment of money in the fund shall be credited to the
16 fund.

17 Sec. 44. Section 39-2704, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 39-2704 (1) The money credited to the fund pursuant to section
20 77-27,132 shall be used for repayment of bonds issued pursuant to
21 subsection (3) of section 39-2223. If any of the money credited to the
22 fund pursuant to section 77-27,132 exceeds the amount of the annual
23 principal and interest requirements for such bonds which are issued, such
24 money shall be used as follows:

25 (a) ~~(1)~~ At least twenty-five percent of the money ~~credited to the~~
26 ~~fund pursuant to section 77-27,132~~ each fiscal year shall be used, as
27 determined by the department, for construction of the expressway system
28 and federally designated high priority corridors; and

29 (b) ~~(2)~~ The remaining money ~~credited to the fund pursuant to section~~
30 ~~77-27,132~~ each fiscal year shall be used to pay for surface
31 transportation projects of the highest priority as determined by the

1 department.

2 (2) The proceeds of bonds issued pursuant to subsection (3) of
3 section 39-2223 which are credited to the fund shall be used as follows:

4 (a) At least seventy-five percent of the proceeds from such bonds
5 shall be used, as determined by the department, for construction of the
6 expressway system and federally designated high priority corridors; and

7 (b) The remaining proceeds shall be used to pay for surface
8 transportation projects of the highest priority as determined by the
9 department.

10 Sec. 45. Section 68-1201, Revised Statutes Cumulative Supplement,
11 2022, is amended to read:

12 68-1201 In determining eligibility for the program for aid to
13 dependent children pursuant to section 43-512 as administered by the
14 State of Nebraska pursuant to the federal Temporary Assistance for Needy
15 Families program, 42 U.S.C. 601 et seq., for the low-income home energy
16 assistance program administered by the State of Nebraska pursuant to the
17 federal Energy Policy Act of 2005, 42 U.S.C. 8621 to 8630, for the
18 Supplemental Nutrition Assistance Program administered by the State of
19 Nebraska pursuant to the federal Food and Nutrition Act of 2008, 7 U.S.C.
20 2011 et seq., and for the child care subsidy program established pursuant
21 to section 68-1202, the following shall not be included in determining
22 assets or income:

23 (1) Assets in or income from an educational savings account, a
24 Coverdell educational savings account described in 26 U.S.C. 530, a
25 qualified tuition program established pursuant to 26 U.S.C. 529, or any
26 similar savings account or plan established to save for qualified higher
27 education expenses as defined in section 103 of this act ~~85-1802~~;

28 (2) Income from scholarships or grants related to postsecondary
29 education, whether merit-based, need-based, or a combination thereof;

30 (3) Income from postsecondary educational work-study programs,
31 whether federally funded, funded by a postsecondary educational

1 institution, or funded from any other source;

2 (4) Assets in or income from an account under a qualified program as
3 provided in section 77-1402;

4 (5) Income received for participation in grant-funded research on
5 the impact that income has on the development of children in low-income
6 families, except that such exclusion of income must not exceed four
7 thousand dollars per year for a maximum of eight years and such exclusion
8 shall only be made if the exclusion is permissible under federal law for
9 each program referenced in this section. No such exclusion shall be made
10 for such income on or after December 31, 2026; and

11 (6) Income from any tax credits received pursuant to the School
12 Readiness Tax Credit Act.

13 Sec. 46. Section 72-1239.01, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 72-1239.01 (1)(a) The appointed members of the council shall have
16 the responsibility for the investment management of the assets of the
17 retirement systems administered by the Public Employees Retirement Board
18 as provided in section 84-1503, the assets of the Nebraska educational
19 savings plan trust as provided in section 107 of this act created
20 ~~pursuant to sections 85-1801 to 85-1817~~, the assets of the achieving a
21 better life experience program pursuant to sections 77-1401 to 77-1409,
22 and beginning January 1, 2017, the assets of each retirement system
23 provided for under the Class V School Employees Retirement Act. Except as
24 provided in subsection (4) of this section, the appointed members shall
25 be deemed fiduciaries with respect to the investment of the assets of the
26 retirement systems, of the Nebraska educational savings plan trust, and
27 of the achieving a better life experience program and shall be held to
28 the standard of conduct of a fiduciary specified in subsection (3) of
29 this section. The nonvoting, ex officio members of the council shall not
30 be deemed fiduciaries.

31 (b) As fiduciaries, the appointed members of the council and the

1 state investment officer shall discharge their duties with respect to the
2 assets of the retirement systems, of the Nebraska educational savings
3 plan trust, and of the achieving a better life experience program solely
4 in the interests of the members and beneficiaries of the retirement
5 systems or the interests of the participants and beneficiaries of the
6 Nebraska educational savings plan trust and the achieving a better life
7 experience program, as the case may be, for the exclusive purposes of
8 providing benefits to members, members' beneficiaries, participants, and
9 participants' beneficiaries and defraying reasonable expenses incurred
10 within the limitations and according to the powers, duties, and purposes
11 prescribed by law.

12 (2)(a) The appointed members of the council shall have the
13 responsibility for the investment management of the assets of state
14 funds. The appointed members shall be deemed fiduciaries with respect to
15 the investment of the assets of state funds and shall be held to the
16 standard of conduct of a fiduciary specified in subsection (3) of this
17 section. The nonvoting, ex officio members of the council shall not be
18 deemed fiduciaries.

19 (b) As fiduciaries, the appointed members of the council and the
20 state investment officer shall discharge their duties with respect to the
21 assets of state funds solely in the interests of the citizens of the
22 state within the limitations and according to the powers, duties, and
23 purposes prescribed by law.

24 (3) The appointed members of the council shall act with the care,
25 skill, prudence, and diligence under the circumstances then prevailing
26 that a prudent person acting in like capacity and familiar with such
27 matters would use in the conduct of an enterprise of a like character and
28 with like aims by diversifying the investments of the assets of the
29 retirement systems, the Nebraska educational savings plan trust, the
30 achieving a better life experience program, and state funds so as to
31 minimize risk of large losses, unless in light of such circumstances it

1 is clearly prudent not to do so. No assets of the retirement systems, the
2 Nebraska educational savings plan trust, or the achieving a better life
3 experience program shall be invested or reinvested if the sole or primary
4 investment objective is for economic development or social purposes or
5 objectives.

6 (4) Neither the appointed members of the council nor the state
7 investment officer shall be deemed fiduciaries with respect to
8 investments of the assets of a retirement system provided for under the
9 Class V School Employees Retirement Act made by or on behalf of the board
10 of education as defined in section 79-978 or the board of trustees
11 provided for in section 79-980. Neither the council nor any member
12 thereof nor the state investment officer shall be liable for the action
13 or inaction of the board of education or the board of trustees with
14 respect to the investment of the assets of a retirement system provided
15 for under the Class V School Employees Retirement Act, the consequences
16 of any such action or inaction of the board of education or the board of
17 trustees, and any claims, suits, losses, damages, fees, and costs related
18 to such action or inaction or consequences thereof.

19 Sec. 47. Section 77-3,110, Revised Statutes Cumulative Supplement,
20 2022, is amended to read:

21 77-3,110 (1) All funds received pursuant to sections 77-3,109 and
22 77-3,118 shall be remitted to the State Treasurer for credit to the
23 Department of Revenue Miscellaneous Receipts Fund which is hereby
24 created.

25 ~~(2) On or before September 1, 2020, the State Treasurer shall~~
26 ~~transfer fifty-nine thousand five hundred dollars from the College~~
27 ~~Savings Plan Expense Fund to the Department of Revenue Miscellaneous~~
28 ~~Receipts Fund.~~

29 (2) ~~(3)~~ All money in the Department of Revenue Miscellaneous
30 Receipts Fund shall be administered by the Department of Revenue and
31 shall be used as follows: ~~(a) Any money transferred to the fund under~~

1 ~~subsection (2) of this section shall be used by the Department of Revenue~~
2 ~~to defray the costs incurred to implement Laws 2020, LB1042; and (b) All~~
3 ~~other funds shall be used to defray the cost of production of the~~
4 ~~publications listed in section 77-3,109 or of the listings described in~~
5 ~~section 77-3,118 and to carry out any administrative responsibilities of~~
6 ~~the department.~~

7 (3) (4) Transfers may be made from the fund to the General Fund at
8 the direction of the Legislature. Any money in the Department of Revenue
9 Miscellaneous Receipts Fund available for investment shall be invested by
10 the state investment officer pursuant to the Nebraska Capital Expansion
11 Act and the Nebraska State Funds Investment Act.

12 Sec. 48. Section 77-908, Revised Statutes Cumulative Supplement,
13 2022, is amended to read:

14 77-908 Every insurance company organized under the stock, mutual,
15 assessment, or reciprocal plan, except fraternal benefit societies, which
16 is transacting business in this state shall, on or before March 1 of each
17 year, pay a tax to the director of one percent of the gross amount of
18 direct writing premiums received by it during the preceding calendar year
19 for business done in this state, except that (1) for group sickness and
20 accident insurance the rate of such tax shall be five-tenths of one
21 percent and (2) for property and casualty insurance, excluding individual
22 sickness and accident insurance, the rate of such tax shall be one
23 percent. A captive insurer authorized under the Captive Insurers Act that
24 is transacting business in this state shall, on or before March 1 of each
25 year, pay to the director a tax of one-fourth of one percent of the gross
26 amount of direct writing premiums received by such insurer during the
27 preceding calendar year for business transacted in the state. The taxable
28 premiums shall include premiums paid on the lives of persons residing in
29 this state and premiums paid for risks located in this state whether the
30 insurance was written in this state or not, including that portion of a
31 group premium paid which represents the premium for insurance on Nebraska

1 residents or risks located in Nebraska included within the group when the
2 number of lives in the group exceeds five hundred. The tax shall also
3 apply to premiums received by domestic companies for insurance written on
4 individuals residing outside this state or risks located outside this
5 state if no comparable tax is paid by the direct writing domestic company
6 to any other appropriate taxing authority. Companies whose scheme of
7 operation contemplates the return of a portion of premiums to
8 policyholders, without such policyholders being claimants under the terms
9 of their policies, may deduct such return premiums or dividends from
10 their gross premiums for the purpose of tax calculations. Any such
11 insurance company shall receive a credit on the tax imposed as provided
12 in the Community Development Assistance Act, the Nebraska Job Creation
13 and Mainstreet Revitalization Act, the New Markets Job Growth Investment
14 Act, the Nebraska Biodiesel Tax Credit Act, the Nebraska Higher Blend Tax
15 Credit Act, and the Affordable Housing Tax Credit Act.

16 Sec. 49. Section 77-1344, Revised Statutes Cumulative Supplement,
17 2022, is amended to read:

18 77-1344 (1) Agricultural or horticultural land which has an actual
19 value as defined in section 77-112 reflecting purposes or uses other than
20 agricultural or horticultural purposes or uses shall be assessed as
21 provided in subsection (3) of section 77-201 if the land meets the
22 qualifications of this subsection and an application for such special
23 valuation is filed and approved pursuant to section 77-1345. In order for
24 the land to qualify for special valuation, ~~all of the following criteria~~
25 ~~shall be met: (a) The land must be located outside the corporate~~
26 ~~boundaries of any sanitary and improvement district, city, or village~~
27 ~~except as provided in subsection (2) of this section; and (b) the land~~
28 ~~must be agricultural or horticultural land and must consist of five acres~~
29 ~~or more. If the land consists of five contiguous acres or less, the owner~~
30 ~~or lessee of the land must also provide an Internal Revenue Service~~
31 ~~Schedule F documenting a profit or loss from farming for two out of the~~

1 ~~last three years in order for such land to qualify for special valuation.~~

2 ~~(2) Special valuation may be applicable to agricultural or~~
3 ~~horticultural land included within the corporate boundaries of a city or~~
4 ~~village if:~~

5 ~~(a) The land is subject to a conservation or preservation easement~~
6 ~~as provided in the Conservation and Preservation Easements Act and the~~
7 ~~governing body of the city or village approves the agreement creating the~~
8 ~~easement;~~

9 ~~(b) The land is subject to air installation compatible use zone~~
10 ~~regulations; or~~

11 ~~(c) The land is within a flood plain.~~

12 ~~(2) (3)~~ The eligibility of land for the special valuation provisions
13 of this section shall be determined each year as of January 1. If the
14 land so qualified becomes disqualified on or before December 31 of that
15 year, it shall continue to receive the special valuation until January 1
16 of the year following.

17 ~~(3) (4)~~ The special valuation placed on such land by the county
18 assessor under this section shall be subject to equalization by the
19 county board of equalization and the Tax Equalization and Review
20 Commission.

21 Sec. 50. Section 77-1347, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 77-1347 Upon approval of an application, the county assessor shall
24 value the land as provided in section 77-1344 until the land becomes
25 disqualified for such valuation by:

26 (1) Written notification by the applicant or his or her successor in
27 interest to the county assessor to remove such special valuation;

28 (2) Inclusion ~~Except as provided in subsection (2) of section~~
29 ~~77-1344, inclusion~~ of the land within the corporate boundaries of any
30 sanitary and improvement district, city, or village, except that this
31 subdivision shall not apply on or after January 1, 2023; or

1 (3) The land no longer qualifying as agricultural or horticultural
2 land, ~~or~~

3 ~~(4) For land that consists of five contiguous acres or less, the~~
4 ~~owner or lessee of the land not being able to provide an Internal Revenue~~
5 ~~Service Schedule F documenting a profit or loss from farming for two out~~
6 ~~of the last three years.~~

7 Sec. 51. Section 77-1403, Revised Statutes Cumulative Supplement,
8 2022, is amended to read:

9 77-1403 (1) Unless otherwise permitted under section 529A, the owner
10 of an account shall be the designated beneficiary of the account, except
11 that if the designated beneficiary of the account is a minor or has a
12 custodian or other fiduciary appointed for the purposes of managing such
13 beneficiary's financial affairs, a custodian or fiduciary for such
14 designated beneficiary may serve as the account owner if such form of
15 ownership is permitted or not prohibited under section 529A.

16 (2) Unless otherwise permitted under section 529A, the designated
17 beneficiary of an account shall be a resident of the state or of a
18 contracting state. The State Treasurer shall determine residency of
19 Nebraska residents for such purpose in such manner as may be required or
20 permissible under section 529A or, in the absence of any guidance under
21 section 529A, by such other means as the State Treasurer shall consider
22 advisable for purposes of satisfying the requirements of section 529A.

23 (3) To the extent permitted by federal law, upon the death of a
24 designated beneficiary of an account, the owner of the account or the
25 personal representative of the designated beneficiary may have the
26 balance of the account transferred to another account under the program
27 specified by the owner of the account, the designated beneficiary, or the
28 estate of the designated beneficiary. If the balance of the account on
29 the date of death is less than or equal to five thousand dollars, the
30 owner of the account or the personal representative of the designated
31 beneficiary may also have the balance of the account distributed to an

1 individual or individuals specified by the designated beneficiary, the
2 owner of the account, or the personal representative of the designated
3 beneficiary.

4 (4) At the time an account is established under the program and
5 prior to any transfer or distribution pursuant to subsection (3) of this
6 section, the State Treasurer shall notify the owner of the account, the
7 designated beneficiary, and the estate of the designated beneficiary, if
8 applicable, of the potential tax consequences of transferring or
9 distributing funds pursuant to subsection (3) of this section.

10 (5) Upon the death of a designated beneficiary and after the
11 Department of Health and Human Services has received approval from the
12 Centers for Medicare and Medicaid Services of the United States
13 Department of Health and Human Services:

14 (a) The state shall not seek recovery of any amount remaining in the
15 account of the designated beneficiary for any amount of medical
16 assistance received by the designated beneficiary or his or her spouse or
17 dependent under the medical assistance program pursuant to the Medical
18 Assistance Act after the establishment of the account; and

19 (b) The state shall not file a claim for the payment under
20 subdivision (f) of section 529A of the Internal Revenue Code, as amended.

21 Sec. 52. Section 77-1631, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 77-1631 For purposes of the Property Tax Request Act:

24 (1) Allowable growth percentage means a percentage equal to the sum
25 of (a) two percent plus (b) the political subdivision's real growth
26 percentage;

27 (2) Excess value means an amount equal to the assessed value of the
28 real property included in a tax increment financing project minus the
29 redevelopment project valuation for such real property;

30 (3) Property tax request means the total amount of property taxes
31 requested to be raised for a political subdivision through the levy

1 imposed pursuant to section 77-1601, excluding the amount to be levied
2 for the payment of principal or interest on bonds issued or authorized to
3 be issued by a school district;

4 (4) Real growth percentage means the percentage obtained by dividing
5 (a) the political subdivision's real growth value by (b) the political
6 subdivision's total real property valuation from the prior year;

7 (5) Real growth value means and includes:

8 (a) The increase in a political subdivision's real property
9 valuation from the prior year to the current year due to (i) improvements
10 to real property as a result of new construction and additions to
11 existing buildings, (ii) any other improvements to real property which
12 increase the value of such property, (iii) annexation of real property by
13 the political subdivision, and (iv) a change in the use of real property;
14 and

15 (b) The annual increase in the excess value for any tax increment
16 financing project located in the political subdivision;

17 (6) Redevelopment project valuation has the same meaning as in
18 section 18-2103; and

19 (7) Tax increment financing project means a redevelopment project as
20 defined in section 18-2103 that is financed through the division of taxes
21 as provided in section 18-2147.

22 Sec. 53. Section 77-1633, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 77-1633 (1) For purposes of this section, political subdivision
25 means any county, city, school district, or community college.

26 (2) If any political subdivision seeks to increase its property tax
27 request by more than the allowable growth percentage, such political
28 subdivision may do so if:

29 (a) A public hearing is held and notice of such hearing is provided
30 in compliance with subsection (3) of this section; and

31 (b) The governing body of such political subdivision passes a

1 resolution or an ordinance that complies with subsection (4) of this
2 section.

3 (3)(a) Each political subdivision within a county that seeks to
4 increase its property tax request by more than the allowable growth
5 percentage shall participate in a joint public hearing. Each such
6 political subdivision shall designate one representative to attend the
7 joint public hearing on behalf of the political subdivision. If a
8 political subdivision includes area in more than one county, the
9 political subdivision shall be deemed to be within the county in which
10 the political subdivision's principal headquarters are located. At such
11 hearing, there shall be no items on the agenda other than discussion on
12 each political subdivision's intent to increase its property tax request
13 by more than the allowable growth percentage.

14 (b) At least one elected official from each participating political
15 subdivision shall attend the joint public hearing. An elected official
16 may be the designated representative from a participating political
17 subdivision. The presence of a quorum or the participation of elected
18 officials at the joint public hearing does not violate the Open Meetings
19 Act.

20 (c) ~~(b)~~ The joint public hearing shall be held on or after September
21 14 ~~17~~ and prior to September 24 ~~29~~ and before any of the participating
22 political subdivisions file their adopted budget statement pursuant to
23 section 13-508.

24 (d) ~~(c)~~ The joint public hearing shall be held after 6 p.m. local
25 time on the relevant date.

26 (e) ~~(d)~~ The joint public hearing shall be organized by the county
27 clerk or his or her designee. At the joint public hearing, the designated
28 representative of each political subdivision shall give a brief
29 presentation on the political subdivision's intent to increase its
30 property tax request by more than the allowable growth percentage and the
31 effect of such request on the political subdivision's budget. The

1 presentation shall include:

2 (i) The name of the political subdivision;

3 (ii) The amount of the property tax request; and

4 (iii) The following statements:

5 (A) The total assessed value of property differs from last year's
6 total assessed value by percent;

7 (B) The tax rate which would levy the same amount of property taxes
8 as last year, when multiplied by the new total assessed value of
9 property, would be \$..... per \$100 of assessed value;

10 (C) The (name of political subdivision) proposes to adopt a property
11 tax request that will cause its tax rate to be \$..... per \$100 of
12 assessed value;

13 (D) Based on the proposed property tax request and changes in other
14 revenue, the total operating budget of (name of political subdivision)
15 will exceed last year's by percent; and

16 (E) To obtain more information regarding the increase in the
17 property tax request, citizens may contact the (name of political
18 subdivision) at (telephone number and email address of political
19 subdivision).

20 ~~(f)~~ Any member of the public shall be allowed to speak at the
21 joint public hearing and shall be given a reasonable amount of time to do
22 so.

23 ~~(g)~~ Notice of the joint public hearing shall be provided:

24 (i) By sending a postcard to all affected property taxpayers. The
25 postcard shall be sent to the name and address to which the property tax
26 statement is mailed;

27 (ii) By posting notice of the hearing on the home page of the
28 relevant county's website, except that this requirement shall only apply
29 if the county has a population of more than ten ~~twenty-five~~ thousand
30 inhabitants; and

31 (iii) By publishing notice of the hearing in a legal newspaper in or

1 of general circulation in the relevant county.

2 (h) ~~(g)~~ Each political subdivision that participates in the joint
3 public hearing shall electronically send the information prescribed in
4 subdivision ~~(3)(i)~~ ~~(3)(h)~~ of this section to the county assessor ~~clerk~~ by
5 September ~~4~~ 5. The county clerk shall notify ~~transmit the information to~~
6 the county assessor of the date, time, and location of the joint public
7 hearing no later than September ~~4~~ 10. The county clerk shall notify each
8 participating political subdivision of the date, time, and location of
9 the joint public hearing. The county assessor shall send the information
10 required to be included on the postcards pursuant to subdivision ~~(3)(i)~~
11 ~~(3)(h)~~ of this section to a printing service designated by the county
12 board. The initial cost for printing the postcards shall be paid from the
13 county general fund. Such postcards shall be mailed at least seven
14 calendar days before the joint public hearing. The cost of creating and
15 mailing the postcards, including staff time, materials, and postage,
16 shall be charged proportionately to the political subdivisions
17 participating in the joint public hearing based on the total number of
18 parcels in each participating political subdivision. Each participating
19 political subdivision shall also maintain a prominently displayed and
20 easily accessible link on the home page of the political subdivision's
21 website to the political subdivision's proposed budget, except that this
22 requirement shall not apply if the political subdivision is a county with
23 a population of less than ten thousand inhabitants, a city with a
24 population of less than one thousand inhabitants, or, for joint public
25 hearings prior to January 1, 2024, a school district.

26 (i) ~~(h)~~ The postcard sent under this subsection and the notice
27 posted on the county's website, if required under subdivision ~~(3)(g)(ii)~~
28 ~~(3)(f)(ii)~~ of this section, and published in the newspaper shall include
29 the date, time, and location for the joint public hearing, a listing of
30 and telephone number for each political subdivision that will be
31 participating in the joint public hearing, and the amount of each

1 participating political subdivision's property tax request. The postcard
2 shall also contain the following information:

3 (i) The following words in capitalized type at the top of the
4 postcard: NOTICE OF PROPOSED TAX INCREASE;

5 (ii) The name of the county that will hold the joint public hearing,
6 which shall appear directly underneath the capitalized words described in
7 subdivision ~~(3)(i)(i)~~ ~~(3)(h)(i)~~ of this section;

8 (iii) The following statement: The following political subdivisions
9 are proposing a revenue increase which would result in an overall
10 increase in property taxes in (insert current tax year). THE ACTUAL TAX
11 ON YOUR PROPERTY MAY INCREASE OR DECREASE. This notice contains estimates
12 of the tax on your property as a result of this revenue increase. These
13 estimates are calculated on the basis of the proposed (insert current tax
14 year) data. The actual tax on your property may vary from these
15 estimates.

16 (iv) The parcel number for the property;

17 (v) The name of the property owner and the address of the property;

18 (vi) The property's assessed value in the previous tax year;

19 (vii) The amount of property taxes due in the previous tax year for
20 each participating political subdivision;

21 (viii) The property's assessed value for the current tax year;

22 (ix) The amount of property taxes due for the current tax year for
23 each participating political subdivision;

24 (x) The change in the amount of property taxes due for each
25 participating political subdivision from the previous tax year to the
26 current tax year; and

27 (xi) The following statement: To obtain more information regarding
28 the tax increase, citizens may contact the political subdivision at the
29 telephone number provided in this notice.

30 (4) After the joint public hearing required in subsection (3) of
31 this section, the governing body of each participating political

1 subdivision shall pass an ordinance or resolution to set such political
2 subdivision's property tax request. If the political subdivision is
3 increasing its property tax request over the amount from the prior year,
4 including any increase in excess of the allowable growth percentage, then
5 such ordinance or resolution shall include, but not be limited to, the
6 following information:

7 (a) The name of the political subdivision;

8 (b) The amount of the property tax request;

9 (c) The following statements:

10 (i) The total assessed value of property differs from last year's
11 total assessed value by percent;

12 (ii) The tax rate which would levy the same amount of property taxes
13 as last year, when multiplied by the new total assessed value of
14 property, would be \$..... per \$100 of assessed value;

15 (iii) The (name of political subdivision) proposes to adopt a
16 property tax request that will cause its tax rate to be \$..... per \$100
17 of assessed value; and

18 (iv) Based on the proposed property tax request and changes in other
19 revenue, the total operating budget of (name of political subdivision)
20 will exceed last year's by percent; and

21 (d) The record vote of the governing body in passing such resolution
22 or ordinance.

23 (5) Any resolution or ordinance setting a property tax request under
24 this section shall be certified and forwarded to the county clerk on or
25 before October 15 of the year for which the tax request is to apply.

26 (6) The county clerk, or his or her designee, shall prepare a report
27 which shall include:

28 (a) ~~The~~ the names of the designated representatives of the political
29 subdivisions participating in the joint public hearing; ~~and~~

30 (b) ~~The~~ the name and address of each individual who spoke at the
31 joint public hearing, unless the address requirement is waived to protect

1 the security of the individual, and the name of any organization
2 represented by each such individual; -

3 (c) The name of each political subdivision that participated in the
4 joint public hearing;

5 (d) The real growth value and real growth percentage for each
6 participating political subdivision;

7 (e) The amount each participating political subdivision seeks to
8 increase its property tax request in excess of the allowable growth
9 percentage; and

10 (f) The number of individuals who signed in to attend the joint
11 public hearing.

12 Such report shall be delivered to the political subdivisions
13 participating in the joint public hearing within ten days after such
14 hearing.

15 Sec. 54. Section 77-1701, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 77-1701 (1) The county treasurer shall be ex officio county
18 collector of all taxes levied within the county. The county board shall
19 designate a county official to mail or otherwise deliver a statement of
20 the amount of taxes due and a notice that special assessments are due, to
21 the last-known address of the person, firm, association, or corporation
22 against whom such taxes or special assessments are assessed or to the
23 lending institution or other party responsible for paying such taxes or
24 special assessments. Such statement shall clearly indicate, for each
25 political subdivision, the levy rate and the amount of taxes due as the
26 result of principal or interest payments on bonds issued by the political
27 subdivision and shall show such rate and amount separate from any other
28 levy. ~~When Beginning with tax year 2000, when taxes on real property are~~
29 delinquent for a prior year, the county treasurer shall indicate this
30 information on the current year tax statement in bold letters. The
31 information provided shall inform the taxpayer that delinquent taxes and

1 interest are due for the prior year or years and shall indicate the
2 specific year or years for which such taxes and interest remain unpaid.
3 The language shall read "Back Taxes and Interest Due For", followed by
4 numbers to indicate each year for which back taxes and interest are due
5 and a statement indicating that failure to pay the back taxes and
6 interest may result in the loss of the real property. Failure to receive
7 such statement or notice shall not relieve the taxpayer from any
8 liability to pay such taxes or special assessments and any interest or
9 penalties accrued thereon. In any county in which a city of the
10 metropolitan class is located, all statements of taxes shall also include
11 notice that special assessments for cutting weeds, removing litter, and
12 demolishing buildings are due.

13 (2) Notice that special assessments are due shall not be required
14 for special assessments levied by sanitary and improvement districts
15 organized under Chapter 31, article 7, except that such notice may be
16 provided by the county at the discretion of the county board or by the
17 sanitary and improvement district with the approval of the county board.

18 (3) A statement of the amount of taxes due and a notice that special
19 assessments are due shall not be required to be mailed or otherwise
20 delivered pursuant to subsection (1) of this section if the total amount
21 of the taxes and special assessments due is less than two dollars.
22 Failure to receive the statement or notice shall not relieve the taxpayer
23 from any liability to pay the taxes or special assessments but shall
24 relieve the taxpayer from any liability for interest or penalties. Taxes
25 and special assessments of less than two dollars shall be added to the
26 amount of taxes and special assessments due in subsequent years and shall
27 not be considered delinquent until the total amount is two dollars or
28 more.

29 Sec. 55. Section 77-1802, Revised Statutes Cumulative Supplement,
30 2022, is amended to read:

31 77-1802 The county treasurer shall, not less than four nor more than

1 six weeks prior to the first Monday of March in each year, make out a
2 list of all real property subject to sale and the amount of all
3 delinquent taxes against each item with an accompanying notice stating
4 that so much of such property described in the list as may be necessary
5 for that purpose will, on the first Monday of March next thereafter, be
6 sold by such county treasurer at public auction at his or her office for
7 the taxes, interest, and costs thereon. In making such list, the county
8 treasurer shall describe the property as it is described on the tax list
9 and shall include the name of the owner of record of the property, the
10 property's parcel number, if any, and the property's street address, if
11 any.

12 Sec. 56. Section 77-1818, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-1818 (1) The purchaser of any real property sold by the county
15 treasurer for taxes shall be entitled to a certificate in writing,
16 describing the real property so purchased, the sum paid, and the time
17 when the purchaser will be entitled to a deed, which certificate shall be
18 signed by the county treasurer in his or her official capacity and shall
19 be presumptive evidence of the regularity of all prior proceedings. Each
20 tax lien shall be shown on a single certificate. The purchaser acquires a
21 perpetual lien of the tax on the real property, and if after the taxes
22 become delinquent he or she subsequently pays any taxes levied on the
23 property, whether levied for any year or years previous or subsequent to
24 such sale, he or she shall have the same lien for them and may add them
25 to the amount paid by him or her in the purchase.

26 (2) Upon issuance of the certificate, the purchaser shall notify, by
27 personal service, the property owner of the real property that was sold
28 for taxes at the address listed for such owner in the records of the
29 county assessor. The notice shall (a) state that a certificate has been
30 issued, (b) include a brief description of the property owner's legal
31 rights to redeem the real property, (c) identify the real property by the

1 street address listed in the records of the county assessor, (d) include
2 the total amount of taxes, interest, and costs for which the property was
3 sold and a recitation that interest and fees may accrue, and (e) include
4 a prominent warning that failure to act may result in forfeiture of the
5 property after three years. The purchaser shall prove such service of
6 notice by affidavit, and such affidavit shall be filed with the
7 application for the tax deed pursuant to section 77-1837. An
8 administrative fee shall be allowed for any service of notice under this
9 subsection. The administrative fee shall be equal to the greater of one
10 hundred dollars or the actual cost incurred by the purchaser for such
11 service of notice. The amount of such fee shall be noted by the county
12 treasurer in the record opposite the real property described in the
13 notice and shall be collected by the county treasurer in case of
14 redemption for the benefit of the holder of the certificate. The
15 purchaser shall notify the county treasurer of the amount of such fee
16 within thirty days after completion of the service of notice.

17 Sec. 57. Section 77-1824, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-1824 The owner or occupant of any real property sold for taxes or
20 any person having a lien thereupon or interest therein may redeem the
21 same. The right of redemption expires when the purchaser files an
22 application for tax deed with the county treasurer. A redemption shall
23 not be accepted by the county treasurer, or considered valid, unless
24 received prior to the close of business on the day the application for
25 the tax deed is received by the county treasurer. Redemption shall be
26 accomplished by paying the county treasurer for the use of such purchaser
27 or his or her heirs or assigns the sum mentioned in his or her
28 certificate, with interest thereon at the rate specified in section
29 45-104.01, as such rate may from time to time be adjusted by the
30 Legislature, from the date of purchase to date of redemption, together
31 with all other taxes subsequently paid, whether for any year or years

1 previous or subsequent to the sale, and interest thereon at the same rate
2 from date of such payment to date of redemption. The amount due for
3 redemption shall include the issuance fee charged pursuant to section
4 77-1823 and the administrative fee charged pursuant to subsection (2) of
5 section 77-1818.

6 Sec. 58. Section 77-1837, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 77-1837 (1) At any time within nine months after the expiration of
9 three years after the date of sale of any real estate for taxes or
10 special assessments, if such real estate has not been redeemed and the
11 requirements of subsection (2) of this section have been met, the
12 purchaser or his or her assignee may apply to the county treasurer for a
13 tax deed for the real estate described in such purchaser's or assignee's
14 tax sale certificate. The county treasurer shall execute and deliver a
15 deed of conveyance for the real estate described in such tax sale
16 certificate if he or she has received the following:

17 (a) The tax sale certificate;

18 (b) The issuance fee for the tax deed and the fee of the notary
19 public or other officer acknowledging the tax deed, as required under
20 section 77-1823;

21 (c) The affidavit proving personal service of the notice required in
22 subsection (2) of section 77-1818;

23 (d) ~~(e)~~ For any notice provided pursuant to section 77-1832, the
24 affidavit proving service of notice, the copy of the notice, and the copy
25 of the title search required under section 77-1833; and

26 (e) ~~(d)~~ For any notice provided by publication pursuant to section
27 77-1834, the affidavit of the publisher, manager, or other employee of
28 the newspaper, the copy of the notice, the affidavit of the purchaser or
29 assignee, and the copy of the title search required under section
30 77-1835.

31 (2) The purchaser or his or her assignee may apply for a tax deed

1 under this section if one hundred ten percent of the assessed value of
2 the real estate described in the tax sale certificate, less the amount
3 that would be needed to redeem such real estate, is twenty-five thousand
4 dollars or less. If such requirement is not met, the purchaser or his or
5 her assignee shall foreclose the lien represented by the tax sale
6 certificate pursuant to section 77-1902.

7 (3) ~~(2)~~ The failure of the county treasurer to issue the deed of
8 conveyance if requested within the timeframe provided in subsection (1)
9 of this section shall not impair the validity of such deed if there has
10 otherwise been compliance with sections 77-1801 to 77-1863.

11 Sec. 59. Section 77-1838, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 77-1838 (1) The deed made by the county treasurer shall be under
14 the official seal of office and acknowledged by the county treasurer
15 before some officer authorized to take the acknowledgment of deeds. When
16 so executed and acknowledged, it shall be recorded in the same manner as
17 other conveyances of real estate. When recorded it shall vest in the
18 grantee and his or her heirs and assigns the title of the property
19 described in the deed, subject to any lien on real estate for special
20 assessments levied by a sanitary and improvement district which special
21 assessments have not been previously offered for sale by the county
22 treasurer.

23 (2) Within thirty days after recording of the deed, the grantee
24 shall pay the surplus to the previous owner of the property described in
25 the deed. For purposes of this subsection, the surplus shall be
26 calculated as follows:

27 (a) If the property has been sold since recording of the deed, the
28 surplus shall be equal to the amount received from such sale, minus (i)
29 the amount that would have been needed to redeem such property, (ii) the
30 amount needed to pay all encumbrances on such property, and (iii) an
31 administrative fee of five hundred dollars, which may be retained by the

1 grantee to offset the costs incurred in obtaining the deed; or

2 (b) If the property has not been sold since recording of the deed,
3 the surplus shall be equal to the assessed value of such property, minus
4 (i) the amount that would have been needed to redeem such property, (ii)
5 the amount needed to pay all encumbrances on such property, and (iii) an
6 administrative fee of five hundred dollars, which may be retained by the
7 grantee to offset the costs incurred in obtaining the deed.

8 Sec. 60. Section 77-2015, Revised Statutes Cumulative Supplement,
9 2022, is amended to read:

10 77-2015 (1) Each petitioner in a proceeding to determine
11 inheritance tax personal representative of an estate shall, upon the
12 entry of an order determining inheritance tax, if any distribution of any
13 proceeds from an estate, submit a report regarding inheritance taxes to
14 the county treasurer of the county in which the inheritance tax
15 determination was conducted. The report shall be submitted on a form
16 prescribed by the Department of Revenue and shall include the following
17 information: estate was administered.

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

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

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

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

30 (2) The On or before July 1, 2023, and on or before July 1 of each
31 year thereafter, the county treasurer of each county shall compile and

1 submit a report regarding inheritance taxes generated from January 1,
2 2023, through June 30, 2023, to the Department of Revenue on or before
3 August 1, 2023. Beginning July 1, 2023, the county treasurer of each
4 county shall compile and submit a report regarding annual inheritance
5 taxes generated from July 1 of each year through June 30 of the next
6 year, to the Department of Revenue on or before August 1, 2024, and on or
7 before August 1 of each year thereafter. The reports shall be submitted
8 on a form prescribed by the Department of Revenue and shall include the
9 following information:

10 (a) ~~(1)~~ The amount of inheritance tax revenue generated under
11 section 77-2004 and the number of persons receiving property that was
12 subject to tax under section 77-2004 and on which inheritance tax was
13 assessed;

14 (b) ~~(2)~~ The amount of inheritance tax revenue generated under
15 section 77-2005 and the number of persons receiving property that was
16 subject to tax under section 77-2005 and on which inheritance tax was
17 assessed;

18 (c) ~~(3)~~ The amount of inheritance tax revenue generated under
19 section 77-2006 and the number of persons receiving property that was
20 subject to tax under section 77-2006 and on which inheritance tax was
21 assessed; and

22 (d) ~~(4)~~ The number of persons who do not reside in this state and
23 who received any property that was subject to tax under section 77-2004,
24 77-2005, or 77-2006 and on which inheritance tax was assessed.

25 (3) On or before September 1, 2023, and on or before September 1 of
26 each year thereafter, the Department of Revenue shall compile and
27 aggregate such treasurer reports received from each county and make each
28 county report and a statewide aggregate of such county reports available
29 to the public on the Department of Revenue's website.

30 Sec. 61. Section 77-2701, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

1 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,
2 77-27,236, and 77-27,238 to 77-27,240 and sections 65 and 69 of this act
3 shall be known and may be cited as the Nebraska Revenue Act of 1967.

4 Sec. 62. Section 77-2701.02, Reissue Revised Statutes of Nebraska,
5 is amended to read:

6 77-2701.02 Pursuant to section 77-2715.01:

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

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

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

15 (4) Commencing on the start of the first calendar quarter after July
16 20, 2002, the rate of the sales tax levied pursuant to section 77-2703
17 shall be five and one-half percent; and -

18 (5) Commencing July 1, 2023, the rate of the sales tax levied
19 pursuant to section 77-2703 shall be five and one-half percent, except
20 that such rate shall be two and three-quarters percent on transactions
21 occurring within a good life district as defined in section 11 of this
22 act.

23 Sec. 63. Section 77-2701.04, Revised Statutes Cumulative Supplement,
24 2022, is amended to read:

25 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and
26 77-27,239 and sections 65 and 69 of this act, unless the context
27 otherwise requires, the definitions found in sections 77-2701.05 to
28 77-2701.55 and section 65 of this act shall be used.

29 Sec. 64. Section 77-2701.41, Revised Statutes Cumulative Supplement,
30 2022, is amended to read:

31 77-2701.41 Taxpayer means any person subject to a tax imposed by

1 sections 77-2701 to 77-2713 and sections 65 and 69 of this act.

2 Sec. 65. Buyer-based exemption means an exemption based on who
3 purchases the product. An exemption that is available to all individuals
4 shall not be considered a buyer-based exemption.

5 Sec. 66. Section 77-2704.12, Revised Statutes Cumulative Supplement,
6 2022, is amended to read:

7 77-2704.12 (1) Sales and use taxes shall not be imposed on the gross
8 receipts from the sale, lease, or rental of and the storage, use, or
9 other consumption in this state of purchases by (a) any nonprofit
10 organization created exclusively for religious purposes, (b) any
11 nonprofit organization providing services exclusively to the blind, (c)
12 any nonprofit private educational institution established under sections
13 79-1601 to 79-1607, (d) any accredited, nonprofit, privately controlled
14 college or university with its primary campus physically located in
15 Nebraska, (e) any nonprofit (i) hospital, (ii) health clinic when one or
16 more hospitals or the parent corporations of the hospitals own or control
17 the health clinic for the purpose of reducing the cost of health services
18 or when the health clinic receives federal funds through the United
19 States Public Health Service for the purpose of serving populations that
20 are medically underserved, (iii) skilled nursing facility, (iv)
21 intermediate care facility, (v) assisted-living facility, (vi)
22 intermediate care facility for persons with developmental disabilities,
23 (vii) nursing facility, (viii) home health agency, (ix) hospice or
24 hospice service, (x) respite care service, (xi) mental health substance
25 use treatment center licensed under the Health Care Facility Licensure
26 Act, or (xii) center for independent living as defined in 29 U.S.C. 796a,
27 (f) any nonprofit licensed residential child-caring agency, (g) any
28 nonprofit licensed child-placing agency, ~~or~~ (h) any nonprofit
29 organization certified by the Department of Health and Human Services to
30 provide community-based services for persons with developmental
31 disabilities, or (i) any nonprofit organization certified or contracted

1 by a regional behavioral health authority or the Division of Behavioral
2 Health of the Department of Health and Human Services to provide
3 community-based mental health or substance use services.

4 (2) Any organization listed in subsection (1) of this section shall
5 apply for an exemption on forms provided by the Tax Commissioner. The
6 application shall be approved and a numbered certificate of exemption
7 received by the applicant organization in order to be exempt from the
8 sales and use tax.

9 (3) The appointment of purchasing agents shall be recognized for the
10 purpose of altering the status of the construction contractor as the
11 ultimate consumer of building materials which are physically annexed to
12 the structure and which subsequently belong to the owner of the
13 organization or institution. The appointment of purchasing agents shall
14 be in writing and occur prior to having any building materials annexed to
15 real estate in the construction, improvement, or repair. The contractor
16 who has been appointed as a purchasing agent may apply for a refund of or
17 use as a credit against a future use tax liability the tax paid on
18 inventory items annexed to real estate in the construction, improvement,
19 or repair of a project for a licensed not-for-profit institution.

20 (4) Any organization listed in subsection (1) of this section which
21 enters into a contract of construction, improvement, or repair upon
22 property annexed to real estate without first issuing a purchasing agent
23 authorization to a contractor or repairperson prior to the building
24 materials being annexed to real estate in the project may apply to the
25 Tax Commissioner for a refund of any sales and use tax paid by the
26 contractor or repairperson on the building materials physically annexed
27 to real estate in the construction, improvement, or repair.

28 (5) Any person purchasing, storing, using, or otherwise consuming
29 building materials in the performance of any construction, improvement,
30 or repair by or for any institution enumerated in subsection (1) of this
31 section which is licensed upon completion although not licensed at the

1 time of construction or improvement, which building materials are annexed
2 to real estate and which subsequently belong to the owner of the
3 institution, shall pay any applicable sales or use tax thereon. Upon
4 becoming licensed and receiving a numbered certificate of exemption, the
5 institution organized not for profit shall be entitled to a refund of the
6 amount of taxes so paid in the performance of such construction,
7 improvement, or repair and shall submit whatever evidence is required by
8 the Tax Commissioner sufficient to establish the total sales and use tax
9 paid upon the building materials physically annexed to real estate in the
10 construction, improvement, or repair.

11 Sec. 67. Section 77-2704.15, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 77-2704.15 (1)(a) Sales and use taxes shall not be imposed on the
14 gross receipts from the sale, lease, or rental of and the storage, use,
15 or other consumption in this state of purchases by the state, including
16 public educational institutions recognized or established under the
17 provisions of Chapter 85, or by any county, township, city, village,
18 rural or suburban fire protection district, city airport authority,
19 county airport authority, joint airport authority, drainage district
20 organized under sections 31-401 to 31-450, sanitary drainage district
21 organized under sections 31-501 to 31-553, land bank created under the
22 Nebraska Municipal Land Bank Act, natural resources district, county
23 agricultural society, elected county fair board, housing agency as
24 defined in section 71-1575 except for purchases for any commercial
25 operation that does not exclusively benefit the residents of an
26 affordable housing project, cemetery created under section 12-101, or
27 joint entity or agency formed by any combination of two or more counties,
28 townships, cities, villages, or other exempt governmental units pursuant
29 to the Interlocal Cooperation Act, the Integrated Solid Waste Management
30 Act, or the Joint Public Agency Act, except for purchases for use in the
31 business of furnishing gas, water, electricity, or heat, or by any

1 irrigation or reclamation district, the irrigation division of any public
2 power and irrigation district, or public schools or learning communities
3 established under Chapter 79.

4 (b) For purposes of this subsection, purchases by the state or by a
5 governmental unit listed in subdivision (a) of this subsection include
6 purchases by any a nonprofit corporation under a lease-purchase
7 agreement, financing lease, or other instrument which provides for
8 transfer of title to the property to the state or governmental unit upon
9 payment of all amounts due thereunder. If any a nonprofit corporation
10 will be making purchases under a lease-purchase agreement, financing
11 lease, or other instrument as part of a project with a total estimated
12 cost that exceeds the threshold amount, then such purchases shall qualify
13 for an exemption under this section only if the question of proceeding
14 with such project has been submitted at a primary, general, or special
15 election held within the governmental unit that will be a party to the
16 lease-purchase agreement, financing lease, or other instrument and has
17 been approved by the voters of such governmental unit or the governmental
18 unit's expenditure towards the project is paid in whole or in part with
19 redevelopment bonds. For purposes of this subdivision, (i) project means
20 the acquisition of real property or the construction of a public building
21 and (ii) threshold amount means the greater of fifty thousand dollars or
22 six-tenths of one percent of the total actual value of real and personal
23 property of the governmental unit that will be a party to the lease-
24 purchase agreement, financing lease, or other instrument as of the end of
25 the governmental unit's prior fiscal year.

26 (2) The appointment of purchasing agents shall be recognized for the
27 purpose of altering the status of the construction contractor as the
28 ultimate consumer of building materials which are physically annexed to
29 the structure and which subsequently belong to the state or the
30 governmental unit. The appointment of purchasing agents shall be in
31 writing and occur prior to having any building materials annexed to real

1 estate in the construction, improvement, or repair. The contractor who
2 has been appointed as a purchasing agent may apply for a refund of or use
3 as a credit against a future use tax liability the tax paid on inventory
4 items annexed to real estate in the construction, improvement, or repair
5 of a project for the state or a governmental unit.

6 (3) Any governmental unit listed in subsection (1) of this section,
7 except the state, which enters into a contract of construction,
8 improvement, or repair upon property annexed to real estate without first
9 issuing a purchasing agent authorization to a contractor or repairperson
10 prior to the building materials being annexed to real estate in the
11 project may apply to the Tax Commissioner for a refund of any sales and
12 use tax paid by the contractor or repairperson on the building materials
13 physically annexed to real estate in the construction, improvement, or
14 repair.

15 Sec. 68. Section 77-2704.36, Revised Statutes Cumulative Supplement,
16 2022, is amended to read:

17 77-2704.36 (1) Sales and use tax shall not be imposed on the gross
18 receipts from the sale, lease, or rental of:

19 (a) Depreciable agricultural machinery and equipment purchased,
20 leased, or rented on or after January 1, 1993, for use in commercial
21 agriculture; or

22 (b) Net wrap, baling wire, and twine purchased for use in commercial
23 agriculture.

24 (2) For purposes of this section:

25 (a)(i) Agricultural machinery and equipment means tangible personal
26 property that is used directly in (A) cultivating or harvesting a crop,
27 (B) raising or caring for animal life, (C) protecting the health and
28 welfare of animal life, including fans, curtains, and climate control
29 equipment within livestock buildings, or (D) collecting or processing an
30 agricultural product on a farm or ranch, regardless of the degree of
31 attachment to any real property; and

1 (ii) Agricultural machinery and equipment includes, but is not
2 limited to, header trailers, head haulers, header transports, and seed
3 tender trailers and excludes any current tractor model as defined in
4 section 2-2701.01 not permitted for sale in Nebraska pursuant to sections
5 2-2701 to 2-2711; ~~and~~

6 (b) Baling wire means wire used in the baling of livestock feed or
7 bedding;

8 (c) ~~(b)~~ Net wrap means plastic wrap used in the baling of livestock
9 feed or bedding; and hay-

10 (d) Twine means a strong string of two or more strands twisted
11 together used in the baling of livestock feed or bedding.

12 Sec. 69. (1) The appointment of purchasing agents shall be
13 recognized for the purpose of permitting a construction contractor to
14 purchase materials tax free based on the buyer-based exemption of the
15 contractor's client for items that are physically annexed to the
16 structure and which subsequently belong to the client who is eligible for
17 the buyer-based exemption. The appointment of purchasing agents shall be
18 in writing and occur prior to having any buyer-based tax-exempt items
19 annexed to real estate in the construction, improvement, or repair. The
20 contractor who has been appointed as a purchasing agent may purchase the
21 materials tax free or may apply for a refund of or use as a credit
22 against a future use tax liability the tax paid on inventory items
23 annexed to real estate in the construction, improvement, or repair of a
24 project that belongs to the client who is eligible for the buyer-based
25 exemption.

26 (2) A client described in subsection (1) of this section which
27 enters into a contract of construction, improvement, or repair with
28 respect to buyer-based tax-exempt items annexed to real estate without
29 first issuing a purchasing agent authorization to a construction
30 contractor prior to such items being annexed to real estate in the
31 project may apply to the Tax Commissioner for a refund of any sales and

1 use tax paid by the contractor on such items physically annexed to real
2 estate in the construction, improvement, or repair.

3 Sec. 70. Section 77-2711, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 77-2711 (1)(a) The Tax Commissioner shall enforce sections
6 77-2701.04 to 77-2713 and sections 65 and 69 of this act and may
7 prescribe, adopt, and enforce rules and regulations relating to the
8 administration and enforcement of such sections.

9 (b) The Tax Commissioner may prescribe the extent to which any
10 ruling or regulation shall be applied without retroactive effect.

11 (2) The Tax Commissioner may employ accountants, auditors,
12 investigators, assistants, and clerks necessary for the efficient
13 administration of the Nebraska Revenue Act of 1967 and may delegate
14 authority to his or her representatives to conduct hearings, prescribe
15 regulations, or perform any other duties imposed by such act.

16 (3)(a) Every seller, every retailer, and every person storing,
17 using, or otherwise consuming in this state property purchased from a
18 retailer shall keep such records, receipts, invoices, and other pertinent
19 papers in such form as the Tax Commissioner may reasonably require.

20 (b) Every such seller, retailer, or person shall keep such records
21 for not less than three years from the making of such records unless the
22 Tax Commissioner in writing sooner authorized their destruction.

23 (4) The Tax Commissioner or any person authorized in writing by him
24 or her may examine the books, papers, records, and equipment of any
25 person selling property and any person liable for the use tax and may
26 investigate the character of the business of the person in order to
27 verify the accuracy of any return made or, if no return is made by the
28 person, to ascertain and determine the amount required to be paid. In the
29 examination of any person selling property or of any person liable for
30 the use tax, an inquiry shall be made as to the accuracy of the reporting
31 of city and county sales and use taxes for which the person is liable

1 under the Local Option Revenue Act or sections 13-319, 13-324, 13-2813,
2 and 77-6403 and the accuracy of the allocation made between the various
3 counties, cities, villages, and municipal counties of the tax due. The
4 Tax Commissioner may make or cause to be made copies of resale or
5 exemption certificates and may pay a reasonable amount to the person
6 having custody of the records for providing such copies.

7 (5) The taxpayer shall have the right to keep or store his or her
8 records at a point outside this state and shall make his or her records
9 available to the Tax Commissioner at all times.

10 (6) In administration of the use tax, the Tax Commissioner may
11 require the filing of reports by any person or class of persons having in
12 his, her, or their possession or custody information relating to sales of
13 property, the storage, use, or other consumption of which is subject to
14 the tax. The report shall be filed when the Tax Commissioner requires and
15 shall set forth the names and addresses of purchasers of the property,
16 the sales price of the property, the date of sale, and such other
17 information as the Tax Commissioner may require.

18 (7) It shall be a Class I misdemeanor for the Tax Commissioner or
19 any official or employee of the Tax Commissioner, the State Treasurer, or
20 the Department of Administrative Services to make known in any manner
21 whatever the business affairs, operations, or information obtained by an
22 investigation of records and activities of any retailer or any other
23 person visited or examined in the discharge of official duty or the
24 amount or source of income, profits, losses, expenditures, or any
25 particular thereof, set forth or disclosed in any return, or to permit
26 any return or copy thereof, or any book containing any abstract or
27 particulars thereof to be seen or examined by any person not connected
28 with the Tax Commissioner. Nothing in this section shall be construed to
29 prohibit (a) the delivery to a taxpayer, his or her duly authorized
30 representative, or his or her successors, receivers, trustees, executors,
31 administrators, assignees, or guarantors, if directly interested, of a

1 certified copy of any return or report in connection with his or her tax,
2 (b) the publication of statistics so classified as to prevent the
3 identification of particular reports or returns and the items thereof,
4 (c) the inspection by the Attorney General, other legal representative of
5 the state, or county attorney of the reports or returns of any taxpayer
6 when either (i) information on the reports or returns is considered by
7 the Attorney General to be relevant to any action or proceeding
8 instituted by the taxpayer or against whom an action or proceeding is
9 being considered or has been commenced by any state agency or the county
10 or (ii) the taxpayer has instituted an action to review the tax based
11 thereon or an action or proceeding against the taxpayer for collection of
12 tax or failure to comply with the Nebraska Revenue Act of 1967 is being
13 considered or has been commenced, (d) the furnishing of any information
14 to the United States Government or to states allowing similar privileges
15 to the Tax Commissioner, (e) the disclosure of information and records to
16 a collection agency contracting with the Tax Commissioner pursuant to
17 sections 77-377.01 to 77-377.04, (f) the disclosure to another party to a
18 transaction of information and records concerning the transaction between
19 the taxpayer and the other party, (g) the disclosure of information
20 pursuant to section 77-27,195, 77-5731, 77-6837, 77-6839, or 77-6928, or
21 (h) the disclosure of information to the Department of Labor necessary
22 for the administration of the Employment Security Law, the Contractor
23 Registration Act, or the Employee Classification Act.

24 (8) Notwithstanding the provisions of subsection (7) of this
25 section, the Tax Commissioner may permit the Postal Inspector of the
26 United States Postal Service or his or her delegates to inspect the
27 reports or returns of any person filed pursuant to the Nebraska Revenue
28 Act of 1967 when information on the reports or returns is relevant to any
29 action or proceeding instituted or being considered by the United States
30 Postal Service against such person for the fraudulent use of the mails to
31 carry and deliver false and fraudulent tax returns to the Tax

1 Commissioner with the intent to defraud the State of Nebraska or to evade
2 the payment of Nebraska state taxes.

3 (9) Notwithstanding the provisions of subsection (7) of this
4 section, the Tax Commissioner may permit other tax officials of this
5 state to inspect the tax returns, reports, and applications filed under
6 sections 77-2701.04 to 77-2713 and sections 65 and 69 of this act, but
7 such inspection shall be permitted only for purposes of enforcing a tax
8 law and only to the extent and under the conditions prescribed by the
9 rules and regulations of the Tax Commissioner.

10 (10) Notwithstanding the provisions of subsection (7) of this
11 section, the Tax Commissioner may, upon request, provide the county board
12 of any county which has exercised the authority granted by section
13 81-3716 with a list of the names and addresses of the hotels located
14 within the county for which lodging sales tax returns have been filed or
15 for which lodging sales taxes have been remitted for the county's County
16 Visitors Promotion Fund under the Nebraska Visitors Development Act.

17 The information provided by the Tax Commissioner shall indicate only
18 the names and addresses of the hotels located within the requesting
19 county for which lodging sales tax returns have been filed for a
20 specified period and the fact that lodging sales taxes remitted by or on
21 behalf of the hotel have constituted a portion of the total sum remitted
22 by the state to the county for a specified period under the provisions of
23 the Nebraska Visitors Development Act. No additional information shall be
24 revealed.

25 (11)(a) Notwithstanding the provisions of subsection (7) of this
26 section, the Tax Commissioner shall, upon written request by the Auditor
27 of Public Accounts or the office of Legislative Audit, make tax returns
28 and tax return information open to inspection by or disclosure to the
29 Auditor of Public Accounts or employees of the office of Legislative
30 Audit for the purpose of and to the extent necessary in making an audit
31 of the Department of Revenue pursuant to section 50-1205 or 84-304.

1 Confidential tax returns and tax return information shall be audited only
2 upon the premises of the Department of Revenue. All audit workpapers
3 pertaining to the audit of the Department of Revenue shall be stored in a
4 secure place in the Department of Revenue.

5 (b) No employee of the Auditor of Public Accounts or the office of
6 Legislative Audit shall disclose to any person, other than another
7 Auditor of Public Accounts or office employee whose official duties
8 require such disclosure, any return or return information described in
9 the Nebraska Revenue Act of 1967 in a form which can be associated with
10 or otherwise identify, directly or indirectly, a particular taxpayer.

11 (c) Any person who violates the provisions of this subsection shall
12 be guilty of a Class I misdemeanor. For purposes of this subsection,
13 employee includes a former Auditor of Public Accounts or office of
14 Legislative Audit employee.

15 (12) For purposes of this subsection and subsections (11) and (14)
16 of this section:

17 (a) Disclosure means the making known to any person in any manner a
18 tax return or return information;

19 (b) Return information means:

20 (i) A taxpayer's identification number and (A) the nature, source,
21 or amount of his or her income, payments, receipts, deductions,
22 exemptions, credits, assets, liabilities, net worth, tax liability, tax
23 withheld, deficiencies, overassessments, or tax payments, whether the
24 taxpayer's return was, is being, or will be examined or subject to other
25 investigation or processing or (B) any other data received by, recorded
26 by, prepared by, furnished to, or collected by the Tax Commissioner with
27 respect to a return or the determination of the existence or possible
28 existence of liability or the amount of liability of any person for any
29 tax, penalty, interest, fine, forfeiture, or other imposition or offense;
30 and

31 (ii) Any part of any written determination or any background file

1 document relating to such written determination; and

2 (c) Tax return or return means any tax or information return or
3 claim for refund required by, provided for, or permitted under sections
4 77-2701 to 77-2713 and sections 65 and 69 of this act which is filed with
5 the Tax Commissioner by, on behalf of, or with respect to any person and
6 any amendment or supplement thereto, including supporting schedules,
7 attachments, or lists which are supplemental to or part of the filed
8 return.

9 (13) Notwithstanding the provisions of subsection (7) of this
10 section, the Tax Commissioner shall, upon request, provide any
11 municipality which has adopted the local option sales tax under the Local
12 Option Revenue Act with a list of the names and addresses of the
13 retailers which have collected the local option sales tax for the
14 municipality. The request may be made annually and shall be submitted to
15 the Tax Commissioner on or before June 30 of each year. The information
16 provided by the Tax Commissioner shall indicate only the names and
17 addresses of the retailers. The Tax Commissioner may provide additional
18 information to a municipality so long as the information does not include
19 any data detailing the specific revenue, expenses, or operations of any
20 particular business.

21 (14)(a) Notwithstanding the provisions of subsection (7) of this
22 section, the Tax Commissioner shall, upon written request, provide an
23 individual certified under subdivision (b) of this subsection
24 representing a municipality which has adopted the local option sales and
25 use tax under the Local Option Revenue Act with confidential sales and
26 use tax returns and sales and use tax return information regarding
27 taxpayers that possess a sales tax permit and the amounts remitted by
28 such permitholders at locations within the boundaries of the requesting
29 municipality or with confidential business use tax returns and business
30 use tax return information regarding taxpayers that file a Nebraska and
31 Local Business Use Tax Return and the amounts remitted by such taxpayers

1 at locations within the boundaries of the requesting municipality. Any
2 written request pursuant to this subsection shall provide the Department
3 of Revenue with no less than ten business days to prepare the sales and
4 use tax returns and sales and use tax return information requested. The
5 individual certified under subdivision (b) of this subsection shall
6 review such returns and return information only upon the premises of the
7 department, except that such limitation shall not apply if the certifying
8 municipality has an agreement in effect under the Nebraska Advantage
9 Transformational Tourism and Redevelopment Act. In such case, the
10 individual certified under subdivision (b) of this subsection may request
11 that copies of such returns and return information be sent to him or her
12 by electronic transmission, secured in a manner as determined by the Tax
13 Commissioner.

14 (b) Each municipality that seeks to request information under
15 subdivision (a) of this subsection shall certify to the Department of
16 Revenue one individual who is authorized by such municipality to make
17 such request and review the documents described in subdivision (a) of
18 this subsection. The individual may be a municipal employee or an
19 individual who contracts with the requesting municipality to provide
20 financial, accounting, or other administrative services.

21 (c) No individual certified by a municipality pursuant to
22 subdivision (b) of this subsection shall disclose to any person any
23 information obtained pursuant to a review under this subsection. An
24 individual certified by a municipality pursuant to subdivision (b) of
25 this subsection shall remain subject to this subsection after he or she
26 (i) is no longer certified or (ii) is no longer in the employment of or
27 under contract with the certifying municipality.

28 (d) Any person who violates the provisions of this subsection shall
29 be guilty of a Class I misdemeanor.

30 (e) The Department of Revenue shall not be held liable by any person
31 for an impermissible disclosure by a municipality or any agent or

1 employee thereof of any information obtained pursuant to a review under
2 this subsection.

3 (15) In all proceedings under the Nebraska Revenue Act of 1967, the
4 Tax Commissioner may act for and on behalf of the people of the State of
5 Nebraska. The Tax Commissioner in his or her discretion may waive all or
6 part of any penalties provided by the provisions of such act or interest
7 on delinquent taxes specified in section 45-104.02, as such rate may from
8 time to time be adjusted.

9 (16)(a) The purpose of this subsection is to set forth the state's
10 policy for the protection of the confidentiality rights of all
11 participants in the system operated pursuant to the streamlined sales and
12 use tax agreement and of the privacy interests of consumers who deal with
13 model 1 sellers.

14 (b) For purposes of this subsection:

15 (i) Anonymous data means information that does not identify a
16 person;

17 (ii) Confidential taxpayer information means all information that is
18 protected under a member state's laws, regulations, and privileges; and

19 (iii) Personally identifiable information means information that
20 identifies a person.

21 (c) The state agrees that a fundamental precept for model 1 sellers
22 is to preserve the privacy of consumers by protecting their anonymity.
23 With very limited exceptions, a certified service provider shall perform
24 its tax calculation, remittance, and reporting functions without
25 retaining the personally identifiable information of consumers.

26 (d) The governing board of the member states in the streamlined
27 sales and use tax agreement may certify a certified service provider only
28 if that certified service provider certifies that:

29 (i) Its system has been designed and tested to ensure that the
30 fundamental precept of anonymity is respected;

31 (ii) Personally identifiable information is only used and retained

1 to the extent necessary for the administration of model 1 with respect to
2 exempt purchasers;

3 (iii) It provides consumers clear and conspicuous notice of its
4 information practices, including what information it collects, how it
5 collects the information, how it uses the information, how long, if at
6 all, it retains the information, and whether it discloses the information
7 to member states. Such notice shall be satisfied by a written privacy
8 policy statement accessible by the public on the website of the certified
9 service provider;

10 (iv) Its collection, use, and retention of personally identifiable
11 information is limited to that required by the member states to ensure
12 the validity of exemptions from taxation that are claimed by reason of a
13 consumer's status or the intended use of the goods or services purchased;
14 and

15 (v) It provides adequate technical, physical, and administrative
16 safeguards so as to protect personally identifiable information from
17 unauthorized access and disclosure.

18 (e) The state shall provide public notification to consumers,
19 including exempt purchasers, of the state's practices relating to the
20 collection, use, and retention of personally identifiable information.

21 (f) When any personally identifiable information that has been
22 collected and retained is no longer required for the purposes set forth
23 in subdivision (16)(d)(iv) of this section, such information shall no
24 longer be retained by the member states.

25 (g) When personally identifiable information regarding an individual
26 is retained by or on behalf of the state, it shall provide reasonable
27 access by such individual to his or her own information in the state's
28 possession and a right to correct any inaccurately recorded information.

29 (h) If anyone other than a member state, or a person authorized by
30 that state's law or the agreement, seeks to discover personally
31 identifiable information, the state from whom the information is sought

1 should make a reasonable and timely effort to notify the individual of
2 such request.

3 (i) This privacy policy is subject to enforcement by the Attorney
4 General.

5 (j) All other laws and regulations regarding the collection, use,
6 and maintenance of confidential taxpayer information remain fully
7 applicable and binding. Without limitation, this subsection does not
8 enlarge or limit the state's authority to:

9 (i) Conduct audits or other reviews as provided under the agreement
10 and state law;

11 (ii) Provide records pursuant to the federal Freedom of Information
12 Act, disclosure laws with governmental agencies, or other regulations;

13 (iii) Prevent, consistent with state law, disclosure of confidential
14 taxpayer information;

15 (iv) Prevent, consistent with federal law, disclosure or misuse of
16 federal return information obtained under a disclosure agreement with the
17 Internal Revenue Service; and

18 (v) Collect, disclose, disseminate, or otherwise use anonymous data
19 for governmental purposes.

20 Sec. 71. Section 77-2713, Revised Statutes Cumulative Supplement,
21 2022, is amended to read:

22 77-2713 (1) Any person required under the provisions of sections
23 77-2701.04 to 77-2713 and sections 65 and 69 of this act to collect,
24 account for, or pay over any tax imposed by the Nebraska Revenue Act of
25 1967 who willfully fails to collect or truthfully account for or pay over
26 such tax and any person who willfully attempts in any manner to evade any
27 tax imposed by such provisions of such act or the payment thereof shall,
28 in addition to other penalties provided by law, be guilty of a Class IV
29 felony.

30 (2) Any person who willfully aids or assists in, procures, counsels,
31 or advises the preparation or presentation of a false or fraudulent

1 return, affidavit, claim, or document under or in connection with any
2 matter arising under sections 77-2701.04 to 77-2713 and sections 65 and
3 69 of this act shall, whether or not such falsity or fraud is with the
4 knowledge or consent of the person authorized or required to present such
5 return, affidavit, claim, or document, be guilty of a Class IV felony.

6 (3) A person who engages in business as a retailer in this state
7 without a permit or permits or after a permit has been suspended and each
8 officer of any corporation which so engages in business shall be guilty
9 of a Class IV misdemeanor. Each day of such operation shall constitute a
10 separate offense.

11 (4) Any person who gives a resale certificate to the seller for
12 property which he or she knows, at the time of purchase, is purchased for
13 the purpose of use rather than for the purpose of resale, lease, or
14 rental by him or her in the regular course of business shall be guilty of
15 a Class IV misdemeanor.

16 (5) Any violation of the provisions of sections 77-2701.04 to
17 77-2713 and sections 65 and 69 of this act, except as otherwise provided,
18 shall be a Class IV misdemeanor.

19 (6) Any prosecution under sections 77-2701.04 to 77-2713 and
20 sections 65 and 69 of this act shall be instituted within three years
21 after the commission of the offense. If such offense is the failure to do
22 an act required by any of such sections to be done before a certain date,
23 a prosecution for such offense may be commenced not later than three
24 years after such date. The failure to do any act required by sections
25 77-2701.04 to 77-2713 and sections 65 and 69 of this act shall be deemed
26 an act committed in part at the principal office of the Tax Commissioner.
27 Any prosecution under the provisions of the Nebraska Revenue Act of 1967
28 may be conducted in any county where the person or corporation to whose
29 liability the proceeding relates resides or has a place of business or in
30 any county in which such criminal act is committed. The Attorney General
31 shall have concurrent jurisdiction with the county attorney in the

1 prosecution of any offenses under the provisions of the Nebraska Revenue
2 Act of 1967.

3 Sec. 72. Section 77-2715.07, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 77-2715.07 (1) There shall be allowed to qualified resident
6 individuals as a nonrefundable credit against the income tax imposed by
7 the Nebraska Revenue Act of 1967:

8 (a) A credit equal to the federal credit allowed under section 22 of
9 the Internal Revenue Code; and

10 (b) A credit for taxes paid to another state as provided in section
11 77-2730.

12 (2) There shall be allowed to qualified resident individuals against
13 the income tax imposed by the Nebraska Revenue Act of 1967:

14 (a) For returns filed reporting federal adjusted gross incomes of
15 greater than twenty-nine thousand dollars, a nonrefundable credit equal
16 to twenty-five percent of the federal credit allowed under section 21 of
17 the Internal Revenue Code of 1986, as amended, except that for taxable
18 years beginning or deemed to begin on or after January 1, 2015, such
19 nonrefundable credit shall be allowed only if the individual would have
20 received the federal credit allowed under section 21 of the code after
21 adding back in any carryforward of a net operating loss that was deducted
22 pursuant to such section in determining eligibility for the federal
23 credit;

24 (b) For returns filed reporting federal adjusted gross income of
25 twenty-nine thousand dollars or less, a refundable credit equal to a
26 percentage of the federal credit allowable under section 21 of the
27 Internal Revenue Code of 1986, as amended, whether or not the federal
28 credit was limited by the federal tax liability. The percentage of the
29 federal credit shall be one hundred percent for incomes not greater than
30 twenty-two thousand dollars, and the percentage shall be reduced by ten
31 percent for each one thousand dollars, or fraction thereof, by which the

1 reported federal adjusted gross income exceeds twenty-two thousand
2 dollars, except that for taxable years beginning or deemed to begin on or
3 after January 1, 2015, such refundable credit shall be allowed only if
4 the individual would have received the federal credit allowed under
5 section 21 of the code after adding back in any carryforward of a net
6 operating loss that was deducted pursuant to such section in determining
7 eligibility for the federal credit;

8 (c) A refundable credit as provided in section 77-5209.01 for
9 individuals who qualify for an income tax credit as a qualified beginning
10 farmer or livestock producer under the Beginning Farmer Tax Credit Act
11 for all taxable years beginning or deemed to begin on or after January 1,
12 2006, under the Internal Revenue Code of 1986, as amended;

13 (d) A refundable credit for individuals who qualify for an income
14 tax credit under the Angel Investment Tax Credit Act, the Nebraska
15 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research
16 and Development Act, or the Volunteer Emergency Responders Incentive Act;
17 and

18 (e) A refundable credit equal to ten percent of the federal credit
19 allowed under section 32 of the Internal Revenue Code of 1986, as
20 amended, except that for taxable years beginning or deemed to begin on or
21 after January 1, 2015, such refundable credit shall be allowed only if
22 the individual would have received the federal credit allowed under
23 section 32 of the code after adding back in any carryforward of a net
24 operating loss that was deducted pursuant to such section in determining
25 eligibility for the federal credit.

26 (3) There shall be allowed to all individuals as a nonrefundable
27 credit against the income tax imposed by the Nebraska Revenue Act of
28 1967:

29 (a) A credit for personal exemptions allowed under section
30 77-2716.01;

31 (b) A credit for contributions to certified community betterment

1 programs as provided in the Community Development Assistance Act. Each
2 partner, each shareholder of an electing subchapter S corporation, each
3 beneficiary of an estate or trust, or each member of a limited liability
4 company shall report his or her share of the credit in the same manner
5 and proportion as he or she reports the partnership, subchapter S
6 corporation, estate, trust, or limited liability company income;

7 (c) A credit for investment in a biodiesel facility as provided in
8 section 77-27,236;

9 (d) A credit as provided in the New Markets Job Growth Investment
10 Act;

11 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
12 Revitalization Act;

13 (f) A credit to employers as provided in sections 77-27,238 and
14 77-27,240; and

15 (g) A credit as provided in the Affordable Housing Tax Credit Act.

16 (4) There shall be allowed as a credit against the income tax
17 imposed by the Nebraska Revenue Act of 1967:

18 (a) A credit to all resident estates and trusts for taxes paid to
19 another state as provided in section 77-2730;

20 (b) A credit to all estates and trusts for contributions to
21 certified community betterment programs as provided in the Community
22 Development Assistance Act; and

23 (c) A refundable credit for individuals who qualify for an income
24 tax credit as an owner of agricultural assets under the Beginning Farmer
25 Tax Credit Act for all taxable years beginning or deemed to begin on or
26 after January 1, 2009, under the Internal Revenue Code of 1986, as
27 amended. The credit allowed for each partner, shareholder, member, or
28 beneficiary of a partnership, corporation, limited liability company, or
29 estate or trust qualifying for an income tax credit as an owner of
30 agricultural assets under the Beginning Farmer Tax Credit Act shall be
31 equal to the partner's, shareholder's, member's, or beneficiary's portion

1 of the amount of tax credit distributed pursuant to subsection (6) of
2 section 77-5211.

3 (5)(a) For all taxable years beginning on or after January 1, 2007,
4 and before January 1, 2009, under the Internal Revenue Code of 1986, as
5 amended, there shall be allowed to each partner, shareholder, member, or
6 beneficiary of a partnership, subchapter S corporation, limited liability
7 company, or estate or trust a nonrefundable credit against the income tax
8 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
9 partner's, shareholder's, member's, or beneficiary's portion of the
10 amount of franchise tax paid to the state under sections 77-3801 to
11 77-3807 by a financial institution.

12 (b) For all taxable years beginning on or after January 1, 2009,
13 under the Internal Revenue Code of 1986, as amended, there shall be
14 allowed to each partner, shareholder, member, or beneficiary of a
15 partnership, subchapter S corporation, limited liability company, or
16 estate or trust a nonrefundable credit against the income tax imposed by
17 the Nebraska Revenue Act of 1967 equal to the partner's, shareholder's,
18 member's, or beneficiary's portion of the amount of franchise tax paid to
19 the state under sections 77-3801 to 77-3807 by a financial institution.

20 (c) Each partner, shareholder, member, or beneficiary shall report
21 his or her share of the credit in the same manner and proportion as he or
22 she reports the partnership, subchapter S corporation, limited liability
23 company, or estate or trust income. If any partner, shareholder, member,
24 or beneficiary cannot fully utilize the credit for that year, the credit
25 may not be carried forward or back.

26 (6) There shall be allowed to all individuals nonrefundable credits
27 against the income tax imposed by the Nebraska Revenue Act of 1967 as
28 provided in section 77-3604 and refundable credits against the income tax
29 imposed by the Nebraska Revenue Act of 1967 as provided in section
30 77-3605.

31 (7)(a) For taxable years beginning or deemed to begin on or after

1 January 1, 2020, and before January 1, 2026, under the Internal Revenue
2 Code of 1986, as amended, a nonrefundable credit against the income tax
3 imposed by the Nebraska Revenue Act of 1967 in the amount of five
4 thousand dollars shall be allowed to any individual who purchases a
5 residence during the taxable year if such residence:

6 (i) Is located within an area that has been declared an extremely
7 blighted area under section 18-2101.02;

8 (ii) Is the individual's primary residence; and

9 (iii) Was not purchased from a family member of the individual or a
10 family member of the individual's spouse.

11 (b) The credit provided in this subsection shall be claimed for the
12 taxable year in which the residence is purchased. If the individual
13 cannot fully utilize the credit for such year, the credit may be carried
14 forward to subsequent taxable years until fully utilized.

15 (c) No more than one credit may be claimed under this subsection
16 with respect to a single residence.

17 (d) The credit provided in this subsection shall be subject to
18 recapture by the Department of Revenue if the individual claiming the
19 credit sells or otherwise transfers the residence or quits using the
20 residence as his or her primary residence within five years after the end
21 of the taxable year in which the credit was claimed.

22 (e) For purposes of this subsection, family member means an
23 individual's spouse, child, parent, brother, sister, grandchild, or
24 grandparent, whether by blood, marriage, or adoption.

25 (8) There shall be allowed to all individuals refundable credits
26 against the income tax imposed by the Nebraska Revenue Act of 1967 as
27 provided in the Nebraska Biodiesel Tax Credit Act, the Nebraska Higher
28 Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, and the
29 Renewable Chemical Production Tax Credit Act.

30 (9)(a) For taxable years beginning or deemed to begin on or after
31 January 1, 2022, under the Internal Revenue Code of 1986, as amended, a

1 refundable credit against the income tax imposed by the Nebraska Revenue
2 Act of 1967 shall be allowed to the parent of a stillborn child if:

3 (i) A fetal death certificate is filed pursuant to subsection (1) of
4 section 71-606 for such child;

5 (ii) Such child had advanced to at least the twentieth week of
6 gestation; and

7 (iii) Such child would have been a dependent of the individual
8 claiming the credit.

9 (b) The amount of the credit shall be two thousand dollars.

10 (c) The credit shall be allowed for the taxable year in which the
11 stillbirth occurred.

12 Sec. 73. Section 77-2716, Revised Statutes Cumulative Supplement,
13 2022, is amended to read:

14 77-2716 (1) The following adjustments to federal adjusted gross
15 income or, for corporations and fiduciaries, federal taxable income shall
16 be made for interest or dividends received:

17 (a)(i) There shall be subtracted interest or dividends received by
18 the owner of obligations of the United States and its territories and
19 possessions or of any authority, commission, or instrumentality of the
20 United States to the extent includable in gross income for federal income
21 tax purposes but exempt from state income taxes under the laws of the
22 United States; and

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

27 (b) There shall be subtracted that portion of the total dividends
28 and other income received from a regulated investment company which is
29 attributable to obligations described in subdivision (a) of this
30 subsection as reported to the recipient by the regulated investment
31 company;

1 (c) There shall be added interest or dividends received by the owner
2 of obligations of the District of Columbia, other states of the United
3 States, or their political subdivisions, authorities, commissions, or
4 instrumentalities to the extent excluded in the computation of gross
5 income for federal income tax purposes except that such interest or
6 dividends shall not be added if received by a corporation which is a
7 regulated investment company;

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

13 (e)(i) Any amount subtracted under this subsection shall be reduced
14 by any interest on indebtedness incurred to carry the obligations or
15 securities described in this subsection or the investment in the
16 regulated investment company and by any expenses incurred in the
17 production of interest or dividend income described in this subsection to
18 the extent that such expenses, including amortizable bond premiums, are
19 deductible in determining federal taxable income.

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

23 (2) There shall be allowed a net operating loss derived from or
24 connected with Nebraska sources computed under rules and regulations
25 adopted and promulgated by the Tax Commissioner consistent, to the extent
26 possible under the Nebraska Revenue Act of 1967, with the laws of the
27 United States. For a resident individual, estate, or trust, the net
28 operating loss computed on the federal income tax return shall be
29 adjusted by the modifications contained in this section. For a
30 nonresident individual, estate, or trust or for a partial-year resident
31 individual, the net operating loss computed on the federal return shall

1 be adjusted by the modifications contained in this section and any
2 carryovers or carrybacks shall be limited to the portion of the loss
3 derived from or connected with Nebraska sources.

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

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

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

21 (6) There shall be subtracted from federal taxable income a portion
22 of the income earned by a corporation subject to the Internal Revenue
23 Code of 1986 that is actually taxed by a foreign country or one of its
24 political subdivisions at a rate in excess of the maximum federal tax
25 rate for corporations. The taxpayer may make the computation for each
26 foreign country or for groups of foreign countries. The portion of the
27 taxes that may be deducted shall be computed in the following manner:

28 (a) The amount of federal taxable income from operations within a
29 foreign taxing jurisdiction shall be reduced by the amount of taxes
30 actually paid to the foreign jurisdiction that are not deductible solely
31 because the foreign tax credit was elected on the federal income tax

1 return;

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

4 (c) The result of the calculation in subdivision (b) of this
5 subsection shall be subtracted from the amount of federal taxable income
6 used in subdivision (a) of this subsection. The result of such
7 calculation, if greater than zero, shall be subtracted from federal
8 taxable income.

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

12 (8)(a) Federal adjusted gross income or, for corporations and
13 fiduciaries, federal taxable income shall be reduced, to the extent
14 included, by income from interest, earnings, and state contributions
15 received from the Nebraska educational savings plan trust as provided
16 created in sections 85-1801 to 85-1817 until January 1, 2024, or sections
17 102 to 117 of this act on and after January 1, 2024, and any account
18 established under the achieving a better life experience program as
19 provided in sections 77-1401 to 77-1409.

20 (b) Federal adjusted gross income or, for corporations and
21 fiduciaries, federal taxable income shall be reduced by any contributions
22 as a participant in the Nebraska educational savings plan trust or
23 contributions to an account established under the achieving a better life
24 experience program made for the benefit of a beneficiary as provided in
25 sections 77-1401 to 77-1409, to the extent not deducted for federal
26 income tax purposes, but not to exceed five thousand dollars per married
27 filing separate return or ten thousand dollars for any other return. With
28 respect to a qualified rollover within the meaning of section 529 of the
29 Internal Revenue Code from another state's plan, any interest, earnings,
30 and state contributions received from the other state's educational
31 savings plan which is qualified under section 529 of the code shall

1 qualify for the reduction provided in this subdivision. For contributions
2 by a custodian of a custodial account including rollovers from another
3 custodial account, the reduction shall only apply to funds added to the
4 custodial account after January 1, 2014.

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

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

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

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

23 (9)(a) For income tax returns filed after September 10, 2001, for
24 taxable years beginning or deemed to begin before January 1, 2006, under
25 the Internal Revenue Code of 1986, as amended, federal adjusted gross
26 income or, for corporations and fiduciaries, federal taxable income shall
27 be increased by eighty-five percent of any amount of any federal bonus
28 depreciation received under the federal Job Creation and Worker
29 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
30 under section 168(k) or section 1400L of the Internal Revenue Code of
31 1986, as amended, for assets placed in service after September 10, 2001,

1 and before December 31, 2005.

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

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

13 (d) The amount of bonus depreciation added to federal adjusted gross
14 income or, for corporations and fiduciaries, federal taxable income by
15 this subsection shall be subtracted in a later taxable year. Twenty
16 percent of the total amount of bonus depreciation added back by this
17 subsection for tax years beginning or deemed to begin before January 1,
18 2003, under the Internal Revenue Code of 1986, as amended, may be
19 subtracted in the first taxable year beginning or deemed to begin on or
20 after January 1, 2005, under the Internal Revenue Code of 1986, as
21 amended, and twenty percent in each of the next four following taxable
22 years. Twenty percent of the total amount of bonus depreciation added
23 back by this subsection for tax years beginning or deemed to begin on or
24 after January 1, 2003, may be subtracted in the first taxable year
25 beginning or deemed to begin on or after January 1, 2006, under the
26 Internal Revenue Code of 1986, as amended, and twenty percent in each of
27 the next four following taxable years.

28 (10) For taxable years beginning or deemed to begin on or after
29 January 1, 2003, and before January 1, 2006, under the Internal Revenue
30 Code of 1986, as amended, federal adjusted gross income or, for
31 corporations and fiduciaries, federal taxable income shall be increased

1 by the amount of any capital investment that is expensed under section
2 179 of the Internal Revenue Code of 1986, as amended, that is in excess
3 of twenty-five thousand dollars that is allowed under the federal Jobs
4 and Growth Tax Act of 2003. Twenty percent of the total amount of
5 expensing added back by this subsection for tax years beginning or deemed
6 to begin on or after January 1, 2003, may be subtracted in the first
7 taxable year beginning or deemed to begin on or after January 1, 2006,
8 under the Internal Revenue Code of 1986, as amended, and twenty percent
9 in each of the next four following tax years.

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

18 (b) For taxable years beginning or deemed to begin before January 1,
19 2018, under the Internal Revenue Code of 1986, as amended, federal
20 adjusted gross income shall be increased by the withdrawals made as a
21 participant in the Nebraska long-term care savings plan under the act by
22 a person who is not a qualified individual or for any reason other than
23 transfer of funds to a spouse, long-term care expenses, long-term care
24 insurance premiums, or death of the participant, including withdrawals
25 made by reason of cancellation of the participation agreement, to the
26 extent previously deducted as a contribution or as investment earnings.

27 (12) There shall be added to federal adjusted gross income for
28 individuals, estates, and trusts any amount taken as a credit for
29 franchise tax paid by a financial institution under sections 77-3801 to
30 77-3807 as allowed by subsection (5) of section 77-2715.07.

31 (13)(a) For taxable years beginning or deemed to begin on or after

1 January 1, 2015, and before January 1, 2025, under the Internal Revenue
2 Code of 1986, as amended, federal adjusted gross income shall be reduced
3 by the amount received as benefits under the federal Social Security Act
4 which are included in the federal adjusted gross income if:

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

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

9 (b) For taxable years beginning or deemed to begin on or after
10 January 1, 2020, and before January 1, 2025, under the Internal Revenue
11 Code of 1986, as amended, the Tax Commissioner shall adjust the dollar
12 amounts provided in subdivisions (13)(a)(i) and (ii) of this section by
13 the same percentage used to adjust individual income tax brackets under
14 subsection (3) of section 77-2715.03.

15 (c) For taxable years beginning or deemed to begin on or after
16 January 1, 2021, and before January 1, 2025, under the Internal Revenue
17 Code of 1986, as amended, a taxpayer may claim the reduction to federal
18 adjusted gross income allowed under this subsection or the reduction to
19 federal adjusted gross income allowed under subsection (14) of this
20 section, whichever provides the greater reduction.

21 (14)(a) For taxable years beginning or deemed to begin on or after
22 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
23 federal adjusted gross income shall be reduced by a percentage of the
24 social security benefits that are received and included in federal
25 adjusted gross income. The pertinent percentage shall be:

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

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

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

4 (iv) Eighty percent for taxable years beginning or deemed to begin
5 on or after January 1, 2024, and before January 1, 2025, under the
6 Internal Revenue Code of 1986, as amended; and

7 (v) One hundred percent for taxable years beginning or deemed to
8 begin on or after January 1, 2025, under the Internal Revenue Code of
9 1986, as amended.

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

12 (c) For taxable years beginning or deemed to begin on or after
13 January 1, 2021, and before January 1, 2025, under the Internal Revenue
14 Code of 1986, as amended, a taxpayer may claim the reduction to federal
15 adjusted gross income allowed under this subsection or the reduction to
16 federal adjusted gross income allowed under subsection (13) of this
17 section, whichever provides the greater reduction.

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

30 (b) For taxable years beginning or deemed to begin on or after
31 January 1, 2022, under the Internal Revenue Code of 1986, as amended, an

1 individual may exclude one hundred percent of the military retirement
2 benefit income received by such individual to the extent included in
3 federal adjusted gross income.

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

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

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

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

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

25 (18) There shall be subtracted from the federal adjusted gross
26 income of individuals any amount received by the individual as student
27 loan repayment assistance under the Teach in Nebraska Today Act, to the
28 extent such amount is included in federal adjusted gross income.

29 (19) For taxable years beginning or deemed to begin on or after
30 January 1, 2023, under the Internal Revenue Code of 1986, as amended, a
31 retired individual who was employed full time as a firefighter or

1 certified law enforcement officer for at least twenty years and who is at
2 least sixty years of age as of the end of the taxable year may reduce his
3 or her federal adjusted gross income by the amount of health insurance
4 premiums paid by such individual during the taxable year, to the extent
5 such premiums were not already deducted in determining the individual's
6 federal adjusted gross income.

7 Sec. 74. Section 77-2717, Revised Statutes Cumulative Supplement,
8 2022, is amended to read:

9 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin
10 before January 1, 2014, the tax imposed on all resident estates and
11 trusts shall be a percentage of the federal taxable income of such
12 estates and trusts as modified in section 77-2716, plus a percentage of
13 the federal alternative minimum tax and the federal tax on premature or
14 lump-sum distributions from qualified retirement plans. The additional
15 taxes shall be recomputed by (A) substituting Nebraska taxable income for
16 federal taxable income, (B) calculating what the federal alternative
17 minimum tax would be on Nebraska taxable income and adjusting such
18 calculations for any items which are reflected differently in the
19 determination of federal taxable income, and (C) applying Nebraska rates
20 to the result. The federal credit for prior year minimum tax, after the
21 recomputations required by the Nebraska Revenue Act of 1967, and the
22 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act
23 and the Nebraska Advantage Research and Development Act shall be allowed
24 as a reduction in the income tax due. A refundable income tax credit
25 shall be allowed for all resident estates and trusts under the Angel
26 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax
27 Credit Act, and the Nebraska Advantage Research and Development Act. A
28 nonrefundable income tax credit shall be allowed for all resident estates
29 and trusts as provided in the New Markets Job Growth Investment Act.

30 (ii) For taxable years beginning or deemed to begin on or after
31 January 1, 2014, the tax imposed on all resident estates and trusts shall

1 be a percentage of the federal taxable income of such estates and trusts
2 as modified in section 77-2716, plus a percentage of the federal tax on
3 premature or lump-sum distributions from qualified retirement plans. The
4 additional taxes shall be recomputed by substituting Nebraska taxable
5 income for federal taxable income and applying Nebraska rates to the
6 result. The credits provided in the Nebraska Advantage Microenterprise
7 Tax Credit Act and the Nebraska Advantage Research and Development Act
8 shall be allowed as a reduction in the income tax due. A refundable
9 income tax credit shall be allowed for all resident estates and trusts
10 under the Angel Investment Tax Credit Act, the Nebraska Advantage
11 Microenterprise Tax Credit Act, the Nebraska Advantage Research and
12 Development Act, the Nebraska Biodiesel Tax Credit Act, the Nebraska
13 Higher Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, and
14 the Renewable Chemical Production Tax Credit Act. A nonrefundable income
15 tax credit shall be allowed for all resident estates and trusts as
16 provided in the Nebraska Job Creation and Mainstreet Revitalization Act,
17 the New Markets Job Growth Investment Act, the School Readiness Tax
18 Credit Act, the Affordable Housing Tax Credit Act, and sections 77-27,238
19 and 77-27,240.

20 (b) The tax imposed on all nonresident estates and trusts shall be
21 the portion of the tax imposed on resident estates and trusts which is
22 attributable to the income derived from sources within this state. The
23 tax which is attributable to income derived from sources within this
24 state shall be determined by multiplying the liability to this state for
25 a resident estate or trust with the same total income by a fraction, the
26 numerator of which is the nonresident estate's or trust's Nebraska income
27 as determined by sections 77-2724 and 77-2725 and the denominator of
28 which is its total federal income after first adjusting each by the
29 amounts provided in section 77-2716. The federal credit for prior year
30 minimum tax, after the recomputations required by the Nebraska Revenue
31 Act of 1967, reduced by the percentage of the total income which is

1 attributable to income from sources outside this state, and the credits
2 provided in the Nebraska Advantage Microenterprise Tax Credit Act and the
3 Nebraska Advantage Research and Development Act shall be allowed as a
4 reduction in the income tax due. A refundable income tax credit shall be
5 allowed for all nonresident estates and trusts under the Angel Investment
6 Tax Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,
7 the Nebraska Advantage Research and Development Act, the Nebraska
8 Biodiesel Tax Credit Act, the Nebraska Higher Blend Tax Credit Act, the
9 Nebraska Property Tax Incentive Act, and the Renewable Chemical
10 Production Tax Credit Act. A nonrefundable income tax credit shall be
11 allowed for all nonresident estates and trusts as provided in the
12 Nebraska Job Creation and Mainstreet Revitalization Act, the New Markets
13 Job Growth Investment Act, the School Readiness Tax Credit Act, the
14 Affordable Housing Tax Credit Act, and sections 77-27,238 and 77-27,240.

15 (2) In all instances wherein a fiduciary income tax return is
16 required under the provisions of the Internal Revenue Code, a Nebraska
17 fiduciary return shall be filed, except that a fiduciary return shall not
18 be required to be filed regarding a simple trust if all of the trust's
19 beneficiaries are residents of the State of Nebraska, all of the trust's
20 income is derived from sources in this state, and the trust has no
21 federal tax liability. The fiduciary shall be responsible for making the
22 return for the estate or trust for which he or she acts, whether the
23 income be taxable to the estate or trust or to the beneficiaries thereof.
24 The fiduciary shall include in the return a statement of each
25 beneficiary's distributive share of net income when such income is
26 taxable to such beneficiaries.

27 (3) The beneficiaries of such estate or trust who are residents of
28 this state shall include in their income their proportionate share of
29 such estate's or trust's federal income and shall reduce their Nebraska
30 tax liability by their proportionate share of the credits as provided in
31 the Angel Investment Tax Credit Act, the Nebraska Advantage

1 Microenterprise Tax Credit Act, the Nebraska Advantage Research and
2 Development Act, the Nebraska Job Creation and Mainstreet Revitalization
3 Act, the New Markets Job Growth Investment Act, the School Readiness Tax
4 Credit Act, the Affordable Housing Tax Credit Act, the Nebraska Biodiesel
5 Tax Credit Act, the Nebraska Higher Blend Tax Credit Act, the Nebraska
6 Property Tax Incentive Act, the Renewable Chemical Production Tax Credit
7 Act, and sections 77-27,238 and 77-27,240. There shall be allowed to a
8 beneficiary a refundable income tax credit under the Beginning Farmer Tax
9 Credit Act for all taxable years beginning or deemed to begin on or after
10 January 1, 2001, under the Internal Revenue Code of 1986, as amended.

11 (4) If any beneficiary of such estate or trust is a nonresident
12 during any part of the estate's or trust's taxable year, he or she shall
13 file a Nebraska income tax return which shall include (a) in Nebraska
14 adjusted gross income that portion of the estate's or trust's Nebraska
15 income, as determined under sections 77-2724 and 77-2725, allocable to
16 his or her interest in the estate or trust and (b) a reduction of the
17 Nebraska tax liability by his or her proportionate share of the credits
18 as provided in the Angel Investment Tax Credit Act, the Nebraska
19 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research
20 and Development Act, the Nebraska Job Creation and Mainstreet
21 Revitalization Act, the New Markets Job Growth Investment Act, the School
22 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, the
23 Nebraska Biodiesel Tax Credit Act, the Nebraska Higher Blend Tax Credit
24 Act, the Nebraska Property Tax Incentive Act, the Renewable Chemical
25 Production Tax Credit Act, and sections 77-27,238 and 77-27,240 and shall
26 execute and forward to the fiduciary, on or before the original due date
27 of the Nebraska fiduciary return, an agreement which states that he or
28 she will file a Nebraska income tax return and pay income tax on all
29 income derived from or connected with sources in this state, and such
30 agreement shall be attached to the Nebraska fiduciary return for such
31 taxable year.

1 (5) In the absence of the nonresident beneficiary's executed
2 agreement being attached to the Nebraska fiduciary return, the estate or
3 trust shall remit a portion of such beneficiary's income which was
4 derived from or attributable to Nebraska sources with its Nebraska return
5 for the taxable year. For taxable years beginning or deemed to begin
6 before January 1, 2013, the amount of remittance, in such instance, shall
7 be the highest individual income tax rate determined under section
8 77-2715.02 multiplied by the nonresident beneficiary's share of the
9 estate or trust income which was derived from or attributable to sources
10 within this state. For taxable years beginning or deemed to begin on or
11 after January 1, 2013, the amount of remittance, in such instance, shall
12 be the highest individual income tax rate determined under section
13 77-2715.03 multiplied by the nonresident beneficiary's share of the
14 estate or trust income which was derived from or attributable to sources
15 within this state. The amount remitted shall be allowed as a credit
16 against the Nebraska income tax liability of the beneficiary.

17 (6) The Tax Commissioner may allow a nonresident beneficiary to not
18 file a Nebraska income tax return if the nonresident beneficiary's only
19 source of Nebraska income was his or her share of the estate's or trust's
20 income which was derived from or attributable to sources within this
21 state, the nonresident did not file an agreement to file a Nebraska
22 income tax return, and the estate or trust has remitted the amount
23 required by subsection (5) of this section on behalf of such nonresident
24 beneficiary. The amount remitted shall be retained in satisfaction of the
25 Nebraska income tax liability of the nonresident beneficiary.

26 (7) For purposes of this section, unless the context otherwise
27 requires, simple trust shall mean any trust instrument which (a) requires
28 that all income shall be distributed currently to the beneficiaries, (b)
29 does not allow amounts to be paid, permanently set aside, or used in the
30 tax year for charitable purposes, and (c) does not distribute amounts
31 allocated in the corpus of the trust. Any trust which does not qualify as

1 a simple trust shall be deemed a complex trust.

2 (8) For purposes of this section, any beneficiary of an estate or
3 trust that is a grantor trust of a nonresident shall be disregarded and
4 this section shall apply as though the nonresident grantor was the
5 beneficiary.

6 Sec. 75. Section 77-2734.03, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 77-2734.03 (1)(a) For taxable years commencing prior to January 1,
9 1997, any (i) insurer paying a tax on premiums and assessments pursuant
10 to section 77-908 or 81-523, (ii) electric cooperative organized under
11 the Joint Public Power Authority Act, or (iii) credit union shall be
12 credited, in the computation of the tax due under the Nebraska Revenue
13 Act of 1967, with the amount paid during the taxable year as taxes on
14 such premiums and assessments and taxes in lieu of intangible tax.

15 (b) For taxable years commencing on or after January 1, 1997, any
16 insurer paying a tax on premiums and assessments pursuant to section
17 77-908 or 81-523, any electric cooperative organized under the Joint
18 Public Power Authority Act, or any credit union shall be credited, in the
19 computation of the tax due under the Nebraska Revenue Act of 1967, with
20 the amount paid during the taxable year as (i) taxes on such premiums and
21 assessments included as Nebraska premiums and assessments under section
22 77-2734.05 and (ii) taxes in lieu of intangible tax.

23 (c) For taxable years commencing or deemed to commence prior to, on,
24 or after January 1, 1998, any insurer paying a tax on premiums and
25 assessments pursuant to section 77-908 or 81-523 shall be credited, in
26 the computation of the tax due under the Nebraska Revenue Act of 1967,
27 with the amount paid during the taxable year as assessments allowed as an
28 offset against premium and related retaliatory tax liability pursuant to
29 section 44-4233.

30 (2) There shall be allowed to corporate taxpayers a tax credit for
31 contributions to community betterment programs as provided in the

1 Community Development Assistance Act.

2 (3) There shall be allowed to corporate taxpayers a refundable
3 income tax credit under the Beginning Farmer Tax Credit Act for all
4 taxable years beginning or deemed to begin on or after January 1, 2001,
5 under the Internal Revenue Code of 1986, as amended.

6 (4) The changes made to this section by Laws 2004, LB 983, apply to
7 motor fuels purchased during any tax year ending or deemed to end on or
8 after January 1, 2005, under the Internal Revenue Code of 1986, as
9 amended.

10 (5) There shall be allowed to corporate taxpayers refundable income
11 tax credits under the Nebraska Advantage Microenterprise Tax Credit Act,
12 the Nebraska Advantage Research and Development Act, the Nebraska
13 Biodiesel Tax Credit Act, the Nebraska Higher Blend Tax Credit Act, the
14 Nebraska Property Tax Incentive Act, and the Renewable Chemical
15 Production Tax Credit Act.

16 (6) There shall be allowed to corporate taxpayers a nonrefundable
17 income tax credit for investment in a biodiesel facility as provided in
18 section 77-27,236.

19 (7) There shall be allowed to corporate taxpayers a nonrefundable
20 income tax credit as provided in the Nebraska Job Creation and Mainstreet
21 Revitalization Act, the New Markets Job Growth Investment Act, the School
22 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, and
23 sections 77-27,238 and 77-27,240.

24 Sec. 76. Section 77-27,132, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 77-27,132 (1) There is hereby created a fund to be designated the
27 Revenue Distribution Fund which shall be set apart and maintained by the
28 Tax Commissioner. Revenue not required to be credited to the General Fund
29 or any other specified fund may be credited to the Revenue Distribution
30 Fund. Credits and refunds of such revenue shall be paid from the Revenue
31 Distribution Fund. The balance of the amount credited, after credits and

1 refunds, shall be allocated as provided by the statutes creating such
2 revenue.

3 (2) The Tax Commissioner shall pay to a depository bank designated
4 by the State Treasurer all amounts collected under the Nebraska Revenue
5 Act of 1967. The Tax Commissioner shall present to the State Treasurer
6 bank receipts showing amounts so deposited in the bank, and of the
7 amounts so deposited the State Treasurer shall:

8 (a) For transactions occurring on or after October 1, 2014, and
9 before October 1, 2027, credit to the Game and Parks Commission Capital
10 Maintenance Fund all of the proceeds of the sales and use taxes imposed
11 pursuant to section 77-2703 on the sale or lease of motorboats as defined
12 in section 37-1204, personal watercraft as defined in section 37-1204.01,
13 all-terrain vehicles as defined in section 60-103, and utility-type
14 vehicles as defined in section 60-135.01;

15 (b) Credit to the Highway Trust Fund all of the proceeds of the
16 sales and use taxes derived from the sale or lease for periods of more
17 than thirty-one days of motor vehicles, trailers, and semitrailers,
18 except that the proceeds equal to any sales tax rate provided for in
19 section 77-2701.02 that is in excess of five percent derived from the
20 sale or lease for periods of more than thirty-one days of motor vehicles,
21 trailers, and semitrailers shall be credited to the Highway Allocation
22 Fund;

23 (c) For transactions occurring on or after July 1, 2013, and before
24 July 1, 2042 ~~2033~~, of the proceeds of the sales and use taxes derived
25 from transactions other than those listed in subdivisions (2)(a), ~~and~~
26 (b), ~~and~~ (e) of this section from a sales tax rate of one-quarter of one
27 percent, credit monthly eighty-five percent to the State Highway Capital
28 Improvement Fund and fifteen percent to the Highway Allocation Fund; and

29 (d) Of the proceeds of the sales and use taxes derived from
30 transactions other than those listed in subdivisions (2)(a), ~~and~~ (b), ~~and~~
31 (e) of this section, credit to the Property Tax Credit Cash Fund the

1 amount certified under section 77-27,237, if any such certification is
2 made.

3 (e) For transactions occurring on or after July 1, 2023, credit to
4 the Department of Transportation Aeronautics Capital Improvement Fund all
5 of the proceeds of the sales and use taxes imposed pursuant to section
6 77-2703 on the sale or lease of aircraft as defined in section 3-101.

7 The balance of all amounts collected under the Nebraska Revenue Act
8 of 1967 shall be credited to the General Fund.

9 Sec. 77. Section 77-27,187.02, Revised Statutes Cumulative
10 Supplement, 2022, is amended to read:

11 77-27,187.02 (1) To earn the incentives set forth in the Nebraska
12 Advantage Rural Development Act, the taxpayer shall file an application
13 for an agreement with the Tax Commissioner. There shall be no new
14 applications for incentives filed under this section after December 31,
15 2027.

16 (2) The application shall contain:

17 (a) A written statement describing the full expected employment or
18 type of livestock production and the investment amount for a qualified
19 business, as described in section 77-27,189, in this state;

20 (b) Sufficient documents, plans, and specifications as required by
21 the Tax Commissioner to support the plan and to define a project; and

22 (c) An application fee of (i) one hundred dollars for an investment
23 amount of less than twenty-five thousand dollars, (ii) two hundred fifty
24 dollars for an investment amount of at least twenty-five thousand dollars
25 but less than fifty thousand dollars, and (iii) five hundred dollars for
26 an investment amount of fifty thousand dollars or more. The fee shall be
27 remitted to the State Treasurer for credit to the Nebraska Incentives
28 Fund. The application and all supporting information shall be
29 confidential except for the name of the taxpayer, the location of the
30 project, and the amounts of increased employment or investment.

31 (3)(a) The Tax Commissioner shall approve the application and

1 authorize the total amount of credits expected to be earned as a result
2 of the project if he or she is satisfied that the plan in the application
3 defines a project that (i) meets the requirements established in section
4 77-27,188 and such requirements will be reached within the required time
5 period and (ii) for projects other than livestock modernization or
6 expansion projects, is located in an eligible county, city, or village.

7 ~~(b) For applications filed in calendar year 2015, the Tax~~
8 ~~Commissioner shall not approve further applications once the expected~~
9 ~~credits from the approved projects total one million dollars. For~~
10 ~~applications filed in calendar year 2016 and each year thereafter, the~~
11 ~~Tax Commissioner shall not approve further applications from applicants~~
12 ~~described in subsection (1) of section 77-27,188 once the expected~~
13 ~~credits from approved projects in this category total: For calendar years~~
14 ~~2016 through 2022, one million dollars; and for calendar year 2023 and~~
15 ~~each calendar year thereafter, ten million dollars from approved projects~~
16 ~~from this category total one million dollars. For applications filed in~~
17 ~~calendar year 2016 and each year thereafter, the Tax Commissioner shall~~
18 ~~not approve further applications from applicants described in subsection~~
19 ~~(2) of section 77-27,188 once the expected credits from approved projects~~
20 ~~in this category total: For calendar year 2016, five hundred thousand~~
21 ~~dollars; for calendar years 2017 and 2018, seven hundred fifty thousand~~
22 ~~dollars; for calendar years 2019, 2020, and 2021, one million dollars;~~
23 ~~and for calendar year 2022 and each calendar year thereafter, ten million~~
24 ~~dollars. Four hundred dollars of the application fee shall be refunded to~~
25 ~~the applicant if the application is not approved because the expected~~
26 ~~credits from approved projects exceed such amounts.~~

27 (c) Applications for benefits shall be considered separately and in
28 the order in which they are received for the categories represented by
29 subsections (1) and (2) of section 77-27,188.

30 (d) Applications shall be filed by November 1 and shall be complete
31 by December 1 of each calendar year. Any application that is filed after

1 November 1 or that is not complete on December 1 shall be considered to
2 be filed during the following calendar year.

3 (4) After approval, the taxpayer and the Tax Commissioner shall
4 enter into a written agreement. The taxpayer shall agree to complete the
5 project, and the Tax Commissioner, on behalf of the State of Nebraska,
6 shall designate the approved plans of the taxpayer as a project and, in
7 consideration of the taxpayer's agreement, agree to allow the taxpayer to
8 use the incentives contained in the Nebraska Advantage Rural Development
9 Act up to the total amount that were authorized by the Tax Commissioner
10 at the time of approval. The application, and all supporting
11 documentation, to the extent approved, shall be considered a part of the
12 agreement. The agreement shall state:

13 (a) The levels of employment and investment required by the act for
14 the project;

15 (b) The time period under the act in which the required level must
16 be met;

17 (c) The documentation the taxpayer will need to supply when claiming
18 an incentive under the act;

19 (d) The date the application was filed; and

20 (e) The maximum amount of credits authorized.

21 Sec. 78. Section 77-27,188, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 77-27,188 (1) A refundable credit against the taxes imposed by the
24 Nebraska Revenue Act of 1967 shall be allowed to any taxpayer who has an
25 approved application pursuant to the Nebraska Advantage Rural Development
26 Act, who is engaged in a qualified business as described in section
27 77-27,189, and who after January 1, 2006:

28 (a)(i) Increases employment by two new equivalent employees and
29 makes an increased investment of at least one hundred twenty-five
30 thousand dollars prior to the end of the first taxable year after the
31 year in which the application was submitted in (A) any county in this

1 state with a population of fewer than fifteen thousand inhabitants,
2 according to the most recent federal decennial census, (B) any village in
3 this state, or (C) any area within the corporate limits of a city of the
4 metropolitan class consisting of one or more contiguous census tracts, as
5 determined by the most recent federal decennial census, which contain a
6 percentage of persons below the poverty line of greater than thirty
7 percent, and all census tracts contiguous to such tract or tracts; or

8 (ii) Increases employment by five new equivalent employees and makes
9 an increased investment of at least two hundred fifty thousand dollars
10 prior to the end of the first taxable year after the year in which the
11 application was submitted in any county in this state with a population
12 of less than twenty-five thousand inhabitants, according to the most
13 recent federal decennial census, or any city of the second class; and

14 (b) Pays a minimum qualifying wage of eight dollars and twenty-five
15 cents per hour to the new equivalent employees for which tax credits are
16 sought under the Nebraska Advantage Rural Development Act. The Department
17 of Revenue shall adjust the minimum qualifying wages required for
18 applications filed after January 1, 2004, and each January 1 thereafter,
19 as follows: The current rural Nebraska average weekly wage shall be
20 divided by the rural Nebraska average weekly wage for 2003; and the
21 result shall be multiplied by the eight dollars and twenty-five cents
22 minimum qualifying wage for 2003 and rounded to the nearest one cent. The
23 amount of increase or decrease in the minimum qualifying wages for any
24 year shall be the cumulative change in the rural Nebraska average weekly
25 wage since 2003. For purposes of this subsection, rural Nebraska average
26 weekly wage means the most recent average weekly wage paid by all
27 employers in all counties with a population of less than twenty-five
28 thousand inhabitants as reported by October 1 by the Department of Labor.

29 For purposes of this section, a teleworker working in Nebraska from
30 his or her residence for a taxpayer shall be considered an employee of
31 the taxpayer, and property of the taxpayer provided to the teleworker

1 working in Nebraska from his or her residence shall be considered an
2 investment. Teleworker includes an individual working on a per-item basis
3 and an independent contractor working for the taxpayer so long as the
4 taxpayer withholds Nebraska income tax from wages or other payments made
5 to such teleworker. For purposes of calculating the number of new
6 equivalent employees when the teleworkers are paid on a per-item basis or
7 are independent contractors, the total wages or payments made to all such
8 new employees during the year shall be divided by the qualifying wage as
9 determined in subdivision (b) of this subsection, with the result divided
10 by two thousand eighty hours.

11 (2) A refundable credit against the taxes imposed by the Nebraska
12 Revenue Act of 1967 shall be allowed to any taxpayer who (a) has an
13 approved application pursuant to the Nebraska Advantage Rural Development
14 Act, (b) is engaged in livestock production, and (c) ~~after January 1,~~
15 ~~2007,~~ invests at least fifty thousand dollars for livestock modernization
16 or expansion for applications filed before January 1, 2024, or at least
17 ten thousand dollars for livestock modernization or expansion for
18 applications filed on or after January 1, 2024.

19 (3) The amount of the credit allowed under subsection (1) of this
20 section shall be three thousand dollars for each new equivalent employee
21 and two thousand seven hundred fifty dollars for each fifty thousand
22 dollars of increased investment. For applications filed before January 1,
23 2016, the amount of the credit allowed under subsection (2) of this
24 section shall be ten percent of the investment, not to exceed a credit of
25 thirty thousand dollars. For applications filed on or after January 1,
26 2016, and before April 20, 2022, the amount of the credit allowed under
27 subsection (2) of this section shall be ten percent of the investment,
28 not to exceed a credit of one hundred fifty thousand dollars per
29 application. For applications filed on or after April 20, 2022, the
30 amount of the credit allowed under subsection (2) of this section shall
31 be ten percent of the investment, not to exceed a credit of five hundred

1 thousand dollars per application. For each application, a taxpayer
2 engaged in livestock production may qualify for a credit under either
3 subsection (1) or (2) of this section, but cannot qualify for more than
4 one credit per application.

5 (4) An employee of a qualified employee leasing company shall be
6 considered to be an employee of the client-lessee for purposes of this
7 section if the employee performs services for the client-lessee. A
8 qualified employee leasing company shall provide the Department of
9 Revenue access to the records of employees leased to the client-lessee.

10 (5) The credit shall not exceed the amounts set out in the
11 application and approved by the Tax Commissioner.

12 (6)(a) If a taxpayer who receives tax credits creates fewer jobs or
13 less investment than required in the project agreement, the taxpayer
14 shall repay the tax credits as provided in this subsection.

15 (b) If less than seventy-five percent of the required jobs in the
16 project agreement are created, one hundred percent of the job creation
17 tax credits shall be repaid. If seventy-five percent or more of the
18 required jobs in the project agreement are created, no repayment of the
19 job creation tax credits is necessary.

20 (c) If less than seventy-five percent of the required investment in
21 the project agreement is created, one hundred percent of the investment
22 tax credits shall be repaid. If seventy-five percent or more of the
23 required investment in the project agreement is created, no repayment of
24 the investment tax credits is necessary.

25 (7) For taxpayers who submitted applications for benefits under the
26 Nebraska Advantage Rural Development Act before January 1, 2006,
27 subsection (1) of this section, as such subsection existed immediately
28 prior to such date, shall continue to apply to such taxpayers. The
29 changes made by Laws 2005, LB 312, shall not preclude a taxpayer from
30 receiving the tax incentives earned prior to January 1, 2006.

31 Sec. 79. Section 77-27,223, Revised Statutes Cumulative Supplement,

1 2022, is amended to read:

2 77-27,223 A county may raise revenue by levying and collecting a
3 license or occupation tax on any person, partnership, limited liability
4 company, corporation, or business engaged in the sale of admissions to
5 recreational, cultural, entertainment, or concert events that are subject
6 to sales tax under sections 77-2701.04 to 77-2713 and sections 65 and 69
7 of this act that occur outside any incorporated municipality, but within
8 the boundary limits of the county. The tax shall be uniform in respect to
9 the class upon which it is imposed. The tax shall be based upon a certain
10 percentage of gross receipts from sales in the county of the person,
11 partnership, limited liability company, corporation, or business, and may
12 include sales of other goods and services at such locations and events,
13 not to exceed one and one-half percent. A county may not impose the tax
14 on sales that are within an incorporated city or village. No county shall
15 levy and collect a license or occupation tax under this section unless
16 approved by a majority of those voting on the question at a special,
17 primary, or general election.

18 Sec. 80. Section 77-2902, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 77-2902 For purposes of the Nebraska Job Creation and Mainstreet
21 Revitalization Act:

22 (1) Department means the Department of Revenue;

23 (2) Eligible expenditure means any cost incurred for the improvement
24 of historically significant real property located in the State of
25 Nebraska, including, but not limited to, qualified rehabilitation
26 expenditures as defined in section 47(c)(2) of the Internal Revenue Code
27 of 1986, as amended, and the related regulations thereunder, if such
28 improvement is in conformance with the standards;

29 (3) Historically significant real property means a building or an
30 at-grade or above ground structure used for any purpose, except for a
31 single-family detached residence, which, at the time of final approval of

1 the work by the officer pursuant to section 77-2906, is:

2 (a) Individually listed in the National Register of Historic Places;

3 (b)(i) Located within a district listed in the National Register of
4 Historic Places; and

5 (ii) Determined by the officer as being historically significant to
6 such district;

7 (c)(i) Individually designated pursuant to a landmark ordinance or
8 resolution enacted by a political subdivision of the state, which
9 ordinance or resolution has been approved by the officer; and

10 (ii) Determined by the officer as being historically significant; or

11 (d)(i) Located within a district designated pursuant to a
12 preservation ordinance or resolution enacted by a county, city, or
13 village of the state or political body comprised thereof providing for
14 the rehabilitation, preservation, or restoration of historically
15 significant real property, which ordinance or resolution has been
16 approved by the officer; and

17 (ii) Determined by the officer as contributing to the historical
18 significance or economic viability of such district ~~or to its economic~~
19 ~~viability;~~

20 (4) Improvement means a rehabilitation, preservation, or restoration
21 project that contributes to the basis, functionality, or value of the
22 historically significant real property and has a total cost which equals
23 or exceeds five thousand dollars; ~~the following:~~

24 ~~(a) For historically significant real property that is not located~~
25 ~~in a city of the metropolitan or primary class, twenty-five thousand~~
26 ~~dollars; or~~

27 ~~(b) For historically significant real property that is located in a~~
28 ~~city of the metropolitan or primary class, the greater of (i) twenty-five~~
29 ~~thousand dollars or (ii) twenty-five percent of the historically~~
30 ~~significant real property's assessed value;~~

31 (5) Officer means the State Historic Preservation Officer;

1 (6) Person means any natural person, political subdivision, limited
2 liability company, partnership, private domestic or private foreign
3 corporation, or domestic or foreign nonprofit corporation certified
4 pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as
5 amended;

6 (7) Placed in service means that either (a) a temporary or final
7 certificate of occupancy has been issued for the improvement or (b) the
8 improvement is sufficiently complete to allow for the intended use of the
9 improvement; and

10 (8) Standards means (a) the Secretary of the Interior's Standards
11 for the Treatment of Historic Properties as promulgated by the United
12 States Department of the Interior or (b) specific standards for the
13 rehabilitation, preservation, and restoration of historically significant
14 real property contained in a duly adopted local preservation ordinance or
15 resolution that has been approved by the officer pursuant to section
16 77-2903.

17 Sec. 81. Section 77-2903, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-2903 For purposes of establishing standards under subdivision (8)
20 (b) of section 77-2902, the officer shall approve a duly adopted local
21 preservation ordinance or resolution if such ordinance or resolution
22 meets the following requirements:

23 (1) The ordinance or resolution provides for specific standards and
24 requirements regarding building exteriors that reflect the heritage,
25 values, and character of the political subdivision adopting such
26 ordinance or resolution; and

27 (2) The ordinance or resolution requires that any building to be
28 rehabilitated, preserved, or restored shall have been originally
29 constructed at least fifty years prior to the proposed rehabilitation,
30 preservation, or restoration and the facade of such building shall not
31 have undergone material structural alteration since its original

1 construction, unless the rehabilitation, preservation, or restoration to
2 be performed proposes to restore the facade to substantially its original
3 condition.

4 Sec. 82. Section 77-2904, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 77-2904 (1) Any person incurring eligible expenditures may receive a
7 nonrefundable credit against any income tax imposed by the Nebraska
8 Revenue Act of 1967 or any tax imposed pursuant to sections 44-101 to
9 44-165, 77-907 to 77-918, or 77-3801 to 77-3807 for the year the
10 historically significant real property is placed in service. ~~The amount~~
11 ~~of the credit shall be equal to twenty percent of eligible expenditures~~
12 ~~up to a maximum credit of one million dollars.~~

13 (2) For historically significant real property located in a county
14 that includes a city of the metropolitan class or a city of the primary
15 class, the credit shall be equal to twenty-five percent of eligible
16 expenditures. For historically significant real property located in any
17 other county, the credit shall be equal to thirty percent of eligible
18 expenditures. In all cases, the maximum credit allocated to any one
19 project shall be two million dollars.

20 (3) Any taxpayer that claims a tax credit shall not be required to
21 pay any additional retaliatory tax under section 44-150 as a result of
22 claiming such tax credit. Any tax credit claimed under this section shall
23 be considered a payment of tax for purposes of subsection (1) of section
24 77-2734.03.

25 (4) ~~(2)~~ To claim the credit authorized under this section, a person
26 must first apply and receive an allocation of credits and application
27 approval under section 77-2905 and then request and receive final
28 approval under section 77-2906.

29 (5) ~~(3)~~ Interest shall not be allowed on any refund paid under the
30 Nebraska Job Creation and Mainstreet Revitalization Act.

31 Sec. 83. Section 77-2905, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 77-2905 (1) Prior to commencing work on the historically significant
3 real property, a person shall file an application for credits under the
4 Nebraska Job Creation and Mainstreet Revitalization Act containing all
5 required information with the officer on a form prescribed by the officer
6 and shall include an application fee established by the officer pursuant
7 to section 77-2907. ~~The officer shall not accept any application for~~
8 ~~credits prior to January 1, 2015.~~ The application shall include plans and
9 specifications, an estimate of the cost of the project prepared by a
10 licensed architect, licensed engineer, or licensed contractor, and a
11 request for a specific amount of credits based on such estimate. The
12 officer shall review the application and, within twenty-one days after
13 receiving the application, shall determine whether the information
14 contained therein is complete. The officer shall notify the applicant in
15 writing of the determination within five business days after making the
16 determination. If the officer fails to provide such notification as
17 required, the application shall be deemed complete as of the twenty-first
18 day after the application is received by the officer. If the officer
19 determines the application is complete or if the application is deemed
20 complete pursuant to this section, the officer shall reserve for the
21 benefit of the applicant an allocation of credits in the amount specified
22 in the application and determined by the officer to be reasonable and
23 shall notify the applicant in writing of the amount of the allocation.
24 The allocation does not entitle the applicant to an issuance of credits
25 until the applicant complies with all other requirements of the Nebraska
26 Job Creation and Mainstreet Revitalization Act for the issuance of
27 credits. The date the officer determines the application is complete or
28 the date the application is deemed complete pursuant to this section
29 shall constitute the applicant's priority date for purposes of allocating
30 credits under this section. For complete applications receiving an
31 allocation under this section, the officer shall determine whether the

1 application conforms to the standards, and, if so, the officer shall
2 approve such application or approve such application with conditions. If
3 the application does not conform to the standards, the officer shall deny
4 such application. The officer shall promptly provide the person filing
5 the application and the department with written notice of the officer's
6 determination. If the officer does not provide a written notice of his or
7 her determination within thirty days after the date the application is
8 determined or deemed to be complete pursuant to this section, the
9 application shall be deemed approved. The officer shall notify the
10 department of any applications that are deemed approved pursuant to this
11 section. If the officer denies the application, the credits allocated to
12 the applicant under this subsection shall be added to the annual amount
13 available for allocation under subsection (2) of this section. Any denial
14 of an application by the officer pursuant to this section may be
15 appealed, and the appeal shall be in accordance with the Administrative
16 Procedure Act.

17 (2) ~~For calendar years beginning before January 1, 2017, the total~~
18 ~~amount of credits that may be allocated by the officer under this section~~
19 ~~in any calendar year shall be limited to fifteen million dollars. For~~
20 ~~calendar years beginning before January 1, 2024 on or after January 1,~~
21 ~~2017, the total amount of credits that may be allocated by the officer~~
22 ~~under this section in any calendar year shall be limited to fifteen~~
23 ~~million dollars, of which four million dollars shall be reserved for~~
24 ~~applications seeking an allocation of credits of less than one hundred~~
25 ~~thousand dollars. For calendar years beginning on or after January 1,~~
26 ~~2024, the total amount of credits that may be allocated by the officer~~
27 ~~under this section in any calendar year shall be limited to twelve~~
28 ~~million dollars, of which four million dollars shall be reserved for~~
29 ~~applications seeking an allocation of credits of less than one hundred~~
30 ~~thousand dollars. If the amount of credits allocated in any calendar year~~
31 ~~is less than the maximum amount of credits available under this section~~

1 ~~for that year fifteen million dollars~~, the unused amount shall be carried
2 forward to subsequent years and shall be available for allocation in
3 subsequent years until fully utilized, except as otherwise provided in
4 section 77-2912. If the amount of credits reserved for applications
5 seeking an allocation of credits of less than one hundred thousand
6 dollars is not allocated by April 1 of any calendar year, such
7 unallocated credits for the calendar year shall be available for any
8 application seeking an allocation of credits based upon the applicant's
9 priority date as determined by the officer. The officer shall allocate
10 credits based on priority date, from earliest to latest. If the officer
11 determines that the complete applications for credits in any calendar
12 year exceed the maximum amount of credits available under this section
13 for that year, only those applications with a priority date on or before
14 the date on which the officer makes that determination may receive an
15 allocation in that year, and the officer shall not make additional
16 allocations until sufficient credits are available. If the officer
17 suspends allocations of credits pursuant to this section, applications
18 with priority dates on or before the date of such suspension shall retain
19 their priority dates. Once additional credits are available for
20 allocation, the officer shall once again allocate credits based on
21 priority date, from earliest to latest, even if the priority dates are
22 from a prior calendar year.

23 ~~(3) Prior to December 1 of any year, the holder of an allocation of~~
24 ~~credits under this section who has not commenced the improvements in his~~
25 ~~or her approved application shall notify the officer of his or her intent~~
26 ~~to retain or release the allocation. Any released allocation shall be~~
27 ~~added to the aggregate amount of credits available for allocation in the~~
28 ~~following year. Any holder of an allocation who fails to timely notify~~
29 ~~the officer of such intent shall be deemed to have released the~~
30 ~~allocation.~~

31 (3) (4) The holder of an allocation of credits whose application was

1 approved under this section shall start substantial work pursuant to the
2 approved application within twenty-four months after receiving notice of
3 approval of the application or, if no notice of approval is sent by the
4 officer, within twenty-four months after the application is deemed
5 approved pursuant to this section. Failure to comply with this subsection
6 shall result in forfeiture of the allocation of credits received under
7 this section. Any such forfeited allocation shall be added to the
8 aggregate amount of credits available for allocation for the year in
9 which the forfeiture occurred.

10 (4) ~~(5)~~ Notwithstanding subsection (1) of this section, the person
11 applying for the credit under this section may, at its own risk, incur
12 eligible expenditures up to six months prior to the submission of the
13 application required under subsection (1) of this section if such
14 eligible expenditures are limited to architectural, engineering fees,
15 accounting, and legal fees, and any costs generally related to the
16 protection of the historically significant real property from
17 deterioration.

18 Sec. 84. Section 77-2910, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 77-2910 (1) The Nebraska State Historical Society and the department
21 may each adopt and promulgate rules and regulations to carry out the
22 Nebraska Job Creation and Mainstreet Revitalization Act.

23 (2) The Nebraska State Historical Society and the department shall
24 annually issue a joint report electronically to the Revenue Committee of
25 the Legislature no later than December 31 of each year ~~, 2017~~. The report
26 shall include, but not be limited to, (a) the total number of
27 applications submitted under the Nebraska Job Creation and Mainstreet
28 Revitalization Act, (b) the number of applications approved or
29 conditionally approved, (c) the number of applications outstanding, if
30 any, (d) the number of applications denied and the basis for denial, (e)
31 the total amount of eligible expenditures approved, (f) the total amount

1 of credits issued, claimed, and still available for use, (g) the total
2 amount of fees collected, (h) the name and address location of each
3 historically significant real property identified in each application,
4 whether approved or denied, (i) the total amount of credits transferred,
5 sold, and assigned and a certification of the ownership of the credits,
6 (j) the total amount of credits claimed against each tax type by
7 category, and (k) the total amount of credits recaptured, if any. No
8 information shall be provided in the report that is protected by state or
9 federal confidentiality laws.

10 Sec. 85. Section 77-2912, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 77-2912 There shall be no new applications filed under the Nebraska
13 Job Creation and Mainstreet Revitalization Act after December 31, 2030
14 ~~2022~~. All applications and all credits pending or approved before such
15 date shall continue in full force and effect, except that no credits
16 shall be allocated under section 77-2905, issued under section 77-2906,
17 or used on any tax return or similar filing after December 31, 2035 ~~2027~~.

18 Sec. 86. Section 77-3506, Revised Statutes Cumulative Supplement,
19 2022, is amended to read:

20 77-3506 (1) All homesteads in this state shall be assessed for
21 taxation the same as other property, except that there shall be exempt
22 from taxation, on any homestead described in subsection (2) of this
23 section, one hundred percent of the exempt amount.

24 (2) The exemption described in subsection (1) of this section shall
25 apply to homesteads of:

26 (a) A veteran who was discharged or otherwise separated with a
27 characterization of honorable or general (under honorable conditions),
28 who is drawing compensation from the United States Department of Veterans
29 Affairs because of one hundred percent service-connected permanent
30 disability, and who is not eligible for total exemption under sections
31 77-3526 to 77-3528;

1 **(b)** ~~An~~ ~~an~~ unremarried surviving spouse of such a veteran,
2 described in subdivision (2)(a) of this section or a surviving spouse of
3 such a veteran who remarries after attaining the age of fifty-seven
4 years;

5 **(c)** A veteran who was discharged or otherwise separated with a
6 characterization of honorable or general (under honorable conditions),
7 who is drawing compensation from the United States Department of Veterans
8 Affairs because of one hundred percent service-connected temporary
9 disability, and who is not eligible for total exemption under sections
10 77-3526 to 77-3528, an unremarried spouse of such a veteran, or a
11 surviving spouse of such a veteran who remarries after attaining the age
12 of fifty-seven years;

13 **(d)** ~~(b)~~ An unremarried surviving spouse of any veteran, including a
14 veteran other than a veteran described in section 80-401.01, who was
15 discharged or otherwise separated with a characterization of honorable or
16 general (under honorable conditions) and who died because of a service-
17 connected disability or a surviving spouse of such a veteran who
18 remarries after attaining the age of fifty-seven years;

19 **(e)** ~~(c)~~ An unremarried surviving spouse of a serviceman or
20 servicewoman, including a veteran other than a veteran described in
21 section 80-401.01, whose death while on active duty was service-connected
22 or a surviving spouse of such a serviceman or servicewoman who remarries
23 after attaining the age of fifty-seven years; and

24 **(f)** ~~(d)~~ An unremarried surviving spouse of a serviceman or
25 servicewoman who died while on active duty during the periods described
26 in section 80-401.01 or a surviving spouse of such a serviceman or
27 servicewoman who remarries after attaining the age of fifty-seven years.

28 **(3)** Application for exemption under subdivision (2)(a) of this
29 section shall be required in every subsequent year evenly divisible by
30 five and shall include certification of the status described in
31 subdivision (2)(a) set forth in subsection (2) of this section from the

1 United States Department of Veterans Affairs. Application for exemption
2 under subdivision (2)(b), (c), (d), (e), or (f) of this section shall be
3 required annually and shall include certification of the status described
4 in subdivision (2)(b), (c), (d), (e), or (f) of this section from the
5 United States Department of Veterans Affairs, except that such
6 certification of status shall only be required in every subsequent year
7 evenly divisible by five. Such certification shall not be required in
8 succeeding years if no change in status has occurred, except that the
9 county assessor or the Tax Commissioner may request such certification to
10 verify that no change in status has occurred.

11 Sec. 87. Section 77-3512, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 77-3512 (1) It shall be the duty of each owner who wants a
14 homestead exemption under section 77-3506, 77-3507, or 77-3508 to file an
15 application therefor with the county assessor of the county in which the
16 homestead is located after February 1 and on or before June 30 of each
17 year. ~~Failure to do so shall constitute a waiver of the exemption for~~
18 ~~that year, except that:~~

19 (a) ~~(1)~~ The county board of the county in which the homestead is
20 located may, by majority vote, extend the deadline for an applicant to on
21 or before July 20. An extension shall not be granted to an applicant who
22 received an extension in the immediately preceding year;

23 (b) ~~(2)~~ An owner may file a late application pursuant to section
24 77-3514.01 if he or she includes documentation of a medical condition
25 which impaired the owner's ability to file the application in a timely
26 manner; ~~and~~

27 (c) ~~(3)~~ An owner may file a late application pursuant to section
28 77-3514.01 if he or she includes a copy of the death certificate of a
29 spouse who died during the year for which the exemption is requested; ~~-~~

30 (d) A veteran qualifying for a homestead exemption under subdivision
31 (2)(a) of section 77-3506 shall only be required to file an application

1 in every subsequent year evenly divisible by five; and

2 (e) If a veteran who has been granted a homestead exemption under
3 subdivision (2)(a) of section 77-3506 dies during the five-year exemption
4 period, the surviving spouse of such veteran shall continue to receive
5 such exemption for the remainder of the five-year exemption period. After
6 the expiration of the five-year exemption period, the surviving spouse
7 shall be required to file for an exemption under subdivision (2)(b) of
8 section 77-3506 on an annual basis.

9 (2) Failure to file an application as required in subsection (1) of
10 this section shall constitute a waiver of the exemption for the year in
11 which the failure occurred.

12 Sec. 88. Section 77-3513, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-3513 The county assessor shall mail a notice on or before April 1
15 to claimants who are the owners of a homestead which was granted an
16 exemption under section 77-3506, 77-3507, or 77-3508 and who are required
17 to refile for such exemption in the current preceding year unless the
18 claimant has already filed the application for the current year or the
19 county assessor has reason to believe there has been a change of
20 circumstances so that the claimant no longer qualifies. The notice shall
21 include the claimant's name, the application deadlines for the current
22 year, a list of documents that must be filed with the application, and
23 the county assessor's office address and telephone number.

24 Sec. 89. Section 77-3522, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 77-3522 (1) Any person who makes any false or fraudulent claim for
27 exemption or any false statement or false representation of a material
28 fact in support of such claim or any person who knowingly assists another
29 in the preparation of any such false or fraudulent claim or enters into
30 any collusion with another by the execution of a fictitious deed or other
31 instrument for the purpose of obtaining unlawful exemption under sections

1 77-3501 to 77-3529 shall be guilty of a Class II misdemeanor and shall be
2 subject to a forfeiture of any such exemption for a period of two years
3 from the date of conviction. Any person who shall make an oath or
4 affirmation to any false or fraudulent application for homestead
5 exemption knowing the same to be false or fraudulent shall be guilty of a
6 Class I misdemeanor.

7 (2) In addition to the penalty provided in subsection (1) of this
8 section, if any person (a) files a claim for exemption as provided in
9 section 77-3506, 77-3507, or 77-3508 which is excessive due to
10 misstatements by the owner filing such claim or (b) fails to notify the
11 county assessor of a change in status of a veteran qualifying for a
12 homestead exemption under subdivision (2)(a) of section 77-3506 which
13 affected all or a portion of the exemption period, including a change in
14 rating, the death of the veteran, or a transfer of property not covered
15 by section 77-3514, the claim may be disallowed in full and, if the claim
16 has been allowed, an amount equal to the amount of taxes lawfully due
17 during the applicable exemption period but not paid by reason of such
18 unlawful and improper allowance of homestead exemption shall be due and
19 shall upon entry of the amount thereof on the books of the county
20 treasurer be a lien on such property until paid and a penalty and
21 interest on such total sum as provided by statute on delinquent ad
22 valorem taxes equal to the amount of taxes lawfully due but claimed for
23 exemption shall be assessed. Any amount paid to satisfy a lien imposed
24 pursuant to this subsection shall be paid to the county treasurer in the
25 same manner that other property taxes are paid, and the county treasurer
26 shall remit such amount to the State Treasurer for credit to the General
27 Fund. Any penalty collected pursuant to this subsection shall be retained
28 by the county in which such penalty is assessed.

29 (3) For any veteran claiming a homestead exemption under subdivision
30 (2)(a) of section 77-3506, the county assessor may revoke such exemption
31 back to the date on which the county assessor has reason to believe that

1 the exemption was improper upon notice to the veteran of the revocation.
2 The veteran may then provide evidence in favor of receiving the exemption
3 to the county assessor, and the county assessor may revise any revocation
4 based on such evidence. Any decision of the county assessor to revoke a
5 homestead exemption under this subsection may be appealed to the county
6 board of equalization within thirty days after the decision. The county
7 board of equalization may reverse or modify the revocation if there is
8 clear and convincing evidence that the veteran qualified for the
9 exemption for a particular period of time.

10 (4) Any additional taxes or penalties imposed pursuant to this
11 section may be appealed in the same manner as appeals are made under
12 section 77-3519.

13 Sec. 90. Section 77-3806, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 77-3806 (1) The tax return shall be filed and the total amount of
16 the franchise tax shall be due on the fifteenth day of the third month
17 after the end of the taxable year. No extension of time to pay the tax
18 shall be granted. If the Tax Commissioner determines that the amount of
19 tax can be computed from available information filed by the financial
20 institutions with either state or federal regulatory agencies, the Tax
21 Commissioner may, by regulation, waive the requirement for the financial
22 institutions to file returns.

23 (2) Sections 77-2714 to 77-27,135 relating to deficiencies,
24 penalties, interest, the collection of delinquent amounts, and appeal
25 procedures for the tax imposed by section 77-2734.02 shall also apply to
26 the tax imposed by section 77-3802. If the filing of a return is waived
27 by the Tax Commissioner, the payment of the tax shall be considered the
28 filing of a return for purposes of sections 77-2714 to 77-27,135.

29 (3) No refund of the tax imposed by section 77-3802 shall be allowed
30 unless a claim for such refund is filed within ninety days of the date on
31 which (a) the tax is due or was paid, whichever is later, (b) a change is

1 made to the amount of deposits or the net financial income of the
2 financial institution by a state or federal regulatory agency, or (c) the
3 Nebraska Investment Finance Authority issues an eligibility statement to
4 the financial institution pursuant to the Affordable Housing Tax Credit
5 Act.

6 (4) Any such financial institution shall receive a credit on the
7 franchise tax as provided under the Affordable Housing Tax Credit Act,
8 the Community Development Assistance Act, the Nebraska Biodiesel Tax
9 Credit Act, the Nebraska Higher Blend Tax Credit Act, the Nebraska Job
10 Creation and Mainstreet Revitalization Act, the Nebraska Property Tax
11 Incentive Act, and the New Markets Job Growth Investment Act.

12 Sec. 91. Section 77-4001, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-4001 Sections 77-4001 to 77-4025 and sections 93 and 94 of this
15 act shall be known and may be cited as the Tobacco Products Tax Act.

16 Sec. 92. Section 77-4002, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-4002 For purposes of the Tobacco Products Tax Act, unless the
19 context otherwise requires, the definitions found in sections 77-4003 to
20 77-4007 and sections 93 and 94 of this act shall be used.

21 Sec. 93. Consumable material means any liquid solution or other
22 material containing nicotine that is depleted as an electronic nicotine
23 delivery system is used.

24 Sec. 94. Electronic nicotine delivery system has the same meaning
25 as in section 28-1418.01.

26 Sec. 95. Section 77-4007, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 77-4007 Tobacco products shall mean (1) cigars, (2) cheroots, (3)
29 stogies, (4) periques, (5) granulated, plug cut, crimp cut, ready rubbed,
30 and other smoking tobacco, (6) snuff, (7) snuff flour, (8) cavendish, (9)
31 plug and twist tobacco, (10) fine cut and other chewing tobacco, (11)

1 shorts, refuse scraps, clippings, cuttings, and sweepings of tobacco, and
2 (12) other kinds and forms of tobacco, prepared in such manner as to be
3 suitable for chewing or smoking in a pipe or otherwise or both for
4 chewing and smoking, and (13) electronic nicotine delivery systems,
5 except that tobacco products shall not mean cigarettes as defined in
6 section 77-2601.

7 Sec. 96. Section 77-4008, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-4008 (1)(a) A tax is hereby imposed upon the first owner of
10 tobacco products to be sold in this state.

11 (b) The tax on snuff shall be forty-four cents per ounce and a
12 proportionate tax at the like rate on all fractional parts of an ounce.
13 Such tax shall be computed based on the net weight as listed by the
14 manufacturer.

15 (c) The tax on an electronic nicotine delivery system containing
16 three milliliters or less of consumable material shall be five cents per
17 milliliter of consumable material and a proportionate tax at the like
18 rate on all fractional parts of a milliliter.

19 (d) The tax on an electronic nicotine delivery system containing
20 more than three milliliters of consumable material shall be ten percent
21 of (i) the purchase price of such electronic nicotine delivery system
22 paid by the first owner or (ii) the price at which the first owner who
23 made, manufactured, or fabricated the electronic nicotine delivery system
24 sells the item to others.

25 (e) For electronic nicotine delivery systems in the possession of
26 retail dealers for which tax has not been paid, the tax under this
27 subsection shall be imposed at the earliest time the retail dealer: (i)
28 Brings or causes to be brought into the state any electronic nicotine
29 delivery system for sale; (ii) makes, manufactures, or fabricates any
30 electronic nicotine delivery system in this state for sale in this state;
31 or (iii) sells any electronic nicotine delivery system to consumers

1 within this state.

2 (f) ~~(e)~~ The tax on tobacco products other than snuff and electronic
3 nicotine delivery systems shall be twenty percent of (i) the purchase
4 price of such tobacco products paid by the first owner or (ii) the price
5 at which a first owner who made, manufactured, or fabricated the tobacco
6 product sells the items to others.

7 (g) ~~(d)~~ The tax on tobacco products shall be in addition to all
8 other taxes.

9 (2) Whenever any person who is licensed under section 77-4009
10 purchases tobacco products from another person licensed under section
11 77-4009, the seller shall be liable for the payment of the tax.

12 (3) Amounts collected pursuant to this section shall be used and
13 distributed pursuant to section 77-4025.

14 Sec. 97. Section 77-5803, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 77-5803 (1)(a) Except as provided in subdivision (1)(b) of this
17 section, any business firm which makes expenditures in research and
18 experimental activities as defined in section 174 of the Internal Revenue
19 Code of 1986, as amended, in this state shall be allowed a research tax
20 credit as provided in the Nebraska Advantage Research and Development
21 Act. The credit amount under this subdivision shall equal fifteen percent
22 of the federal credit allowed under section 41 of the Internal Revenue
23 Code of 1986, as amended, or as apportioned to this state under
24 subsection (2) of this section. For all tax years of a taxpayer (i) which
25 are open for assessment or filing a refund claim, (ii) for which a refund
26 claim, including a refund request in an income tax return, concerning
27 this credit has been filed but not yet paid, or (iii) for which the Tax
28 Commissioner has issued a notice of proposed assessment of a deficiency,
29 which is not yet final, concerning this credit, the ~~The~~ credit shall be
30 allowed for the first tax year it is claimed and for each tax year ~~the~~
31 ~~twenty tax years immediately~~ following.

1 (b) Any business firm which makes expenditures in research and
2 experimental activities as defined in section 174 of the Internal Revenue
3 Code of 1986, as amended, on the campus of a college or university in
4 this state or at a facility owned by a college or university in this
5 state shall be allowed a research tax credit as provided in the Nebraska
6 Advantage Research and Development Act. The credit amount under this
7 subdivision shall equal thirty-five percent of the federal credit allowed
8 under section 41 of the Internal Revenue Code of 1986, as amended, or as
9 apportioned to this state under subsection (2) of this section. For all
10 tax years of a taxpayer (i) which are open for assessment or filing a
11 refund claim, (ii) for which a refund claim, including a refund request
12 in an income tax return, concerning this credit has been filed but not
13 yet paid, or (iii) for which the Tax Commissioner has issued a notice of
14 proposed assessment of a deficiency, which is not yet final, concerning
15 this credit, the The credit shall be allowed for the first tax year it is
16 claimed and for each tax year ~~the twenty tax years immediately~~ following.

17 (2) For any business firm doing business both within and without
18 this state, the amount of the ~~federal~~ credit may be determined either by
19 dividing the amount expended in research and experimental activities in
20 this state in any tax year by the total amount expended in research and
21 experimental activities or by apportioning the amount of the credit on
22 the federal income tax return to the state based on the average of the
23 property factor as determined in section 77-2734.12 and the payroll
24 factor as determined in section 77-2734.13.

25 Sec. 98. Section 77-5806, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 77-5806 The Nebraska Advantage Research and Development Act shall be
28 operative for all tax years beginning or deemed to begin on or after
29 January 1, 2006, under the Internal Revenue Code of 1986, as amended. No
30 business firm shall be allowed to first claim the credit for any tax year
31 beginning or deemed to begin after December 31, 2033 2022, under the

1 Internal Revenue Code of 1986, as amended.

2 Sec. 99. Section 77-5808, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-5808 (1) This subsection shall apply for tax years beginning or
5 deemed to begin on or after January 1, 2009, and before January 1, 2023,
6 except for such tax year or years for which the taxpayer elects to apply
7 subsection (2) of this section. The Tax Commissioner shall not approve or
8 grant to any person any tax incentive under the Nebraska Advantage
9 Research and Development Act unless the taxpayer provides evidence
10 satisfactory to the Tax Commissioner that the taxpayer electronically
11 verified the work eligibility status of all newly hired employees
12 employed in Nebraska. This section does not apply to any credit claimed
13 in a tax year beginning or deemed to begin before January 1, 2009, under
14 the Internal Revenue Code of 1986, as amended.

15 (2) This subsection shall apply for tax years beginning or deemed to
16 begin on or after January 1, 2023, and, if the taxpayer so elects, such
17 tax year or tax years beginning or deemed to begin on or after January 1,
18 2009, and before January 1, 2023. When calculating the research tax
19 credit as provided in the Nebraska Advantage Research and Development
20 Act, the qualified research expenses claimed in computing the federal
21 credit allowed under section 41 of the Internal Revenue Code of 1986, as
22 amended, shall be adjusted to the extent the taxpayer includes, in such
23 qualified research expenses, compensation paid to an employee of such
24 taxpayer hired during or after the first tax year for which the Nebraska
25 Advantage Research and Development Act credit is claimed by such firm and
26 to the extent such compensation is subject to Nebraska income tax. Such
27 compensation, for the tax year in which the credit is being claimed,
28 shall be deducted from the taxpayer's qualified research expenses unless
29 such employee was verified as eligible to work in the United States using
30 the federal E-Verify system within ninety days after the date of hire of
31 such employee or such longer period as may be permitted under the rules

1 of the federal E-Verify system. Such verification may be performed by the
2 taxpayer or by someone on the taxpayer's behalf.

3 (3) The taxpayer may, by correspondence provided to the Tax
4 Commissioner, make the elections referred to in subsections (1) and (2)
5 of this section for each tax year beginning or deemed to begin on or
6 after January 1, 2009, and before January 1, 2023, (i) which is open for
7 assessment or filing a refund claim, (ii) for which a refund claim,
8 including a refund request in an income tax return, concerning the
9 research tax credit has been filed but not yet paid, or (iii) for which
10 the Tax Commissioner has issued a notice of proposed assessment of a
11 deficiency, which is not yet final, concerning such credit. When made,
12 such elections shall apply for the tax year or tax years for which they
13 are made.

14 Sec. 100. Section 77-6702, Revised Statutes Cumulative Supplement,
15 2022, is amended to read:

16 77-6702 For purposes of the Nebraska Property Tax Incentive Act:

17 (1) Allowable growth percentage means the percentage increase, if
18 any, in the total assessed value of all real property in the state from
19 the prior year to the current year, as determined by the department,
20 except that in no case shall the allowable growth percentage exceed five
21 percent in any one year;

22 (2) Community college taxes means property taxes levied on real
23 property in this state by a community college area, excluding the
24 following:

25 (a) Any ~~any~~ property taxes levied for bonded indebtedness;

26 (b) Any ~~and any~~ property taxes levied as a result of an override of
27 limits on property tax levies approved by voters pursuant to section
28 77-3444; and

29 (c) Any property taxes that, as of the time of payment, were
30 delinquent for five years or more;

31 (3) Department means the Department of Revenue;

1 (4) Eligible taxpayer means any individual, corporation,
2 partnership, limited liability company, trust, estate, or other entity
3 that pays school district taxes or community college taxes during a
4 taxable year; and

5 (5) School district taxes means property taxes levied on real
6 property in this state by a school district or multiple-district school
7 system, excluding the following:

8 (a) Any any property taxes levied for bonded indebtedness;

9 (b) Any and any property taxes levied as a result of an override of
10 limits on property tax levies approved by voters pursuant to section
11 77-3444; and -

12 (c) Any property taxes that, as of the time of payment, were
13 delinquent for five years or more.

14 Sec. 101. Section 77-6818, Revised Statutes Cumulative Supplement,
15 2022, is amended to read:

16 77-6818 (1) Qualified location means a location at which the
17 majority of the business activities conducted are within one or more of
18 the following NAICS codes or the following descriptions:

19 (a) Manufacturing - 31, 32, or 33, including pre-production
20 services;

21 (b) Testing Laboratories - 541380;

22 (c) Rail Transportation - 482;

23 (d) Truck Transportation - 484;

24 (e) Insurance Carriers - 5241;

25 (f) Wired Telecommunications Carriers - 517311;

26 (g) Wireless Telecommunications Carriers (except Satellite) -
27 517312;

28 (h) Telemarketing Bureaus and Other Contact Centers - 561422;

29 (i) Data Processing, Hosting, and Related Services - 518210;

30 (j) Computer Facilities Management Services - 541513;

31 (k) Warehousing and Storage - 4931;

1 (1) The administrative management of the taxpayer's activities,
2 including headquarter facilities relating to such activities, or the
3 administrative management of any of the activities of any business entity
4 or entities in which the taxpayer or a group of its owners hold any
5 direct or indirect ownership interest of at least ten percent, including
6 headquarter facilities relating to such activities;

7 (m) Logistics Facilities - Portions of NAICS 488210, 488310, and
8 488490 dealing with independently operated trucking terminals,
9 independently operated railroad and railway terminals, and waterfront
10 terminal and port facility operations;

11 (n) Services provided on aircraft brought into this state by an
12 individual who is a resident of another state or any other person who has
13 a business location in another state when the aircraft is not to be
14 registered or based in this state and will not remain in this state more
15 than ten days after the service is completed;

16 (o) The conducting of research, development, or testing, or any
17 combination thereof, for scientific, agricultural, animal husbandry, food
18 product, industrial, or technology purposes;

19 (p) The production of electricity by using one or more sources of
20 renewable energy to produce electricity for sale. For purposes of this
21 subdivision, sources of renewable energy includes, but is not limited to,
22 wind, solar, energy storage, geothermal, hydroelectric, biomass, nuclear,
23 and transmutation of elements;

24 (q) Computer Systems Design and Related Services - 5415;

25 (r) The performance of financial services. For purposes of this
26 subdivision, financial services includes only financial services provided
27 by any financial institution subject to tax under Chapter 77, article 38,
28 or any person or entity licensed by the Department of Banking and Finance
29 or the federal Securities and Exchange Commission;

30 (s) Postharvest Crop Activities (except Cotton Ginning) - 115114; ~~or~~

31 (t) The processing of tangible personal property. For purposes of

1 this subdivision, processing means to subject to a particular method,
2 system, or technique of preparation, handling, or other treatment
3 designed to prepare tangible personal property for market, manufacture,
4 or other commercial use which does not result in the transformation of
5 such property into a substantially different character; or -

6 (u) Waste Treatment and Disposal - 5622.

7 (2)(a) Qualified location also includes any other business location
8 if at least seventy-five percent of the revenue derived at the location
9 is from sales to customers who are not related persons which are
10 delivered or provided from the qualified location to a location that is
11 not within Nebraska according to the sourcing rules in subsections (2)
12 and (3) of section 77-2734.14. Intermediate sales to related persons are
13 included as sales to customers delivered or provided to a location
14 outside Nebraska if the related person delivers or provides the goods or
15 services to a location outside Nebraska. Even if a location meets the
16 seventy-five percent requirement of this subdivision, such location shall
17 not constitute a qualified location under this subdivision if the
18 majority of the business activities conducted at such location are within
19 any of the following NAICS codes or any combination thereof:

20 (i) Agriculture, Forestry, Fishing and Hunting - 11, excluding NAICS
21 code 115114;

22 (ii) Transportation and Warehousing - 48-49;

23 (iii) Information - 51;

24 (iv) Utilities - 22;

25 (v) Mining, Quarrying, and Oil and Gas Extraction - 21;

26 (vi) Public Administration - 92; or

27 (vii) Construction - 23.

28 (b) The director may adopt and promulgate rules and regulations
29 establishing an alternative method in circumstances in which subdivision
30 (2)(a) of this section does not accurately reflect the out-of-state sales
31 taking place at locations within Nebraska for a particular industry.

1 (3) The determination of the majority of the business activities
2 shall be made based on the number of employees working in the respective
3 business activities. The director may adopt and promulgate rules and
4 regulations establishing an alternative method in circumstances in which
5 other factors provide a better reflection of business activities.

6 (4) The delineation of the types of business activities which enable
7 a location to constitute a qualified location is based on the state's
8 intention to attract certain types of business activities and to
9 responsibly accomplish the purposes of the Imagine Nebraska Act by
10 directing the state's incentive capabilities towards business activities
11 which, due to their national nature, could locate outside of Nebraska and
12 which therefore would, through the use of incentives, be motivated to
13 locate in Nebraska. By listing specific types of business activities in
14 subsection (1) of this section, the state has determined such business
15 activities by their nature meet these objectives. By specifying the
16 national nature of a taxpayer's revenue in subsection (2) of this
17 section, the state has determined that certain other types of business
18 activities can meet these objectives.

19 Sec. 102. Section 85-1801, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 ~~85-1801~~ The Legislature finds that the general welfare and well-
22 being of the state are directly related to educational levels and skills
23 of the citizens of the state and that a vital and valid public purpose is
24 served by the creation and implementation of programs which encourage and
25 make possible the attainment of higher levels of education by the
26 greatest number of citizens of the state. The state has limited resources
27 to provide additional programs for ~~higher~~ education funding and the
28 continued operation and maintenance of the state's public institutions of
29 elementary, secondary, and postsecondary ~~higher~~ education, and the
30 general welfare of the citizens of the state will be enhanced by
31 establishing a program which allows parents and others interested in the

1 higher education of our youth to invest money in a public trust for
2 future application to the payment of qualified higher education expenses.
3 The creation of the means of encouragement for persons to invest in such
4 a program represents the carrying out of a vital and valid public
5 purpose. In order to make available to parents and others interested in
6 the higher education of our youth an opportunity to fund future higher
7 education needs, it is necessary that a public trust be established in
8 which money may be invested for future educational use.

9 Sec. 103. Section 85-1802, Revised Statutes Cumulative Supplement,
10 2022, is amended to read:

11 ~~85-1802~~ For purposes of sections 102 to 117 of this act ~~85-1801 to~~
12 ~~85-1817~~:

13 (1) Administrative fund means the Education College Savings Plan
14 Administrative Fund created in section 107 of this act ~~85-1807~~;

15 (2) Beneficiary means the individual designated by a participation
16 agreement to benefit from advance payments of qualified higher education
17 expenses on behalf of the beneficiary;

18 (3) Benefits means the payment of qualified higher education
19 expenses on behalf of a beneficiary or, in the case of a qualified
20 education loan payment, on behalf of a beneficiary or the sibling of a
21 beneficiary by the Nebraska educational savings plan trust;

22 (4) Eligible postsecondary educational institution means an
23 institution described in 20 U.S.C. 1088 which is eligible to participate
24 in a program under Title IV of the federal Higher Education Act of 1965;

25 (5) Expense fund means the Education College Savings Plan Expense
26 Fund created in section 107 of this act ~~85-1807~~;

27 (6) Nebraska educational savings plan trust means the trust created
28 in section 104 of this act ~~85-1804~~;

29 (7) Nonqualified withdrawal refers to (a) a distribution from an
30 account (i) to the extent it is not used to pay the qualified higher
31 education expenses of the beneficiary or, in the case of a qualified

1 education loan payment, to the extent it is not used to pay the qualified
2 ~~higher~~ education expenses of the beneficiary or a sibling of the
3 beneficiary or (ii) for taxable years beginning or deemed to begin on or
4 after January 1, 2023, to the extent it does not constitute a rollover to
5 a Roth individual retirement account as permitted by section 529 of the
6 Internal Revenue Code or ~~τ~~ (b) a qualified rollover permitted by section
7 529 of the Internal Revenue Code where the funds are transferred to a
8 qualified tuition program sponsored by another state or entity, ~~or (c) a~~
9 ~~distribution from an account to pay the costs of attending kindergarten~~
10 ~~through grade twelve;~~

11 (8) Participant or account owner means an individual, an
12 individual's legal representative, or any other legal entity authorized
13 to establish a savings account under section 529 of the Internal Revenue
14 Code who has entered into a participation agreement for the advance
15 payment of qualified ~~higher~~ education expenses on behalf of a
16 beneficiary. For purposes of section 77-2716, as to contributions by a
17 custodian to a custodial account established pursuant to the Nebraska
18 Uniform Transfers to Minors Act or similar law in another state, which
19 account has been established under a participation agreement, participant
20 includes the parent or guardian of a minor, which parent or guardian is
21 also the custodian of the account;

22 (9) Participation agreement means an agreement between a participant
23 and the Nebraska educational savings plan trust entered into under
24 sections 102 to 117 of this act ~~85-1801 to 85-1817;~~

25 (10) Program fund means the Education College Savings Plan Program
26 Fund created in section 107 of this act ~~85-1807;~~

27 (11) Qualified education loan payment means the payment of principal
28 or interest on a qualified education loan as defined in 26 U.S.C. 221(d),
29 as such section existed on January 1, 2022, of the beneficiary or a
30 sibling of the beneficiary as described in 26 U.S.C. 152(d)(2)(B), as
31 such section existed on January 1, 2022. For purposes of this

1 subdivision, the aggregate total of qualified education loan payments for
2 the qualified education loans of a single beneficiary or sibling shall
3 not exceed ten thousand dollars for all taxable years combined. The
4 aggregate total for qualified education loan payments for the qualified
5 education loans of a sibling of a beneficiary shall be calculated with
6 respect to such sibling and not with respect to the beneficiary and shall
7 include all qualified education loan payments for loans of such sibling,
8 including any qualified education loan payments for which such sibling is
9 the beneficiary or the sibling of a beneficiary;

10 (12)(a) ~~(12)~~ Qualified higher education expenses means:

11 (i) ~~The~~ the certified costs of tuition, and fees, books, supplies,
12 and equipment required (A) ~~(a)~~ for enrollment or attendance at an
13 eligible postsecondary educational institution or (B) ~~(b)~~ for costs
14 incurred on or after January 1, 2021, for participation in an
15 apprenticeship program registered and certified with the United States
16 Secretary of Labor under 29 U.S.C. 50, as such section existed on January
17 1, 2021; ~~-~~

18 (ii) Reasonable room and board expenses, based on the minimum amount
19 applicable for the eligible postsecondary educational institution during
20 the period of enrollment, ~~shall be included as qualified higher education~~
21 ~~expenses~~ for those students enrolled on at least a half-time basis; ~~-~~

22 (iii) In the case of a special needs beneficiary, expenses for
23 special needs services incurred in connection with enrollment or
24 attendance at an eligible postsecondary educational institution; ~~shall be~~
25 ~~included as qualified higher education expenses.~~

26 (iv) Expenses paid or incurred on or after January 1, 2022, for the
27 purchase of computer technology or equipment or Internet access and
28 related services in connection with enrollment or attendance at an
29 eligible postsecondary educational institution, subject to the
30 limitations set forth in section 529 of the Internal Revenue Code; ~~-~~
31 ~~shall be included as qualified higher education expenses.~~

1 ~~(v) Qualified higher education expenses includes qualified education~~
2 ~~loan payments; or -~~

3 (vi) Expenses for tuition in connection with enrollment or
4 attendance at an elementary or secondary school but does not include any
5 amounts in excess of ten thousand dollars per beneficiary per taxable
6 year.

7 (b) Qualified higher education expenses does not include any amounts
8 in excess of those allowed by section 529 of the Internal Revenue Code;

9 (13) Section 529 of the Internal Revenue Code means such section of
10 the code and the regulations interpreting such section; and

11 (14) Tuition means:

12 (a) For purposes of an elementary or secondary school, the charges
13 imposed for tuition in connection with enrollment or attendance at such
14 elementary or secondary school; and

15 (b) For purposes of an eligible postsecondary educational
16 institution, (14) Tuition and fees means the quarter or semester charges
17 imposed to attend an eligible postsecondary educational institution.

18 Sec. 104. Section 85-1804, Revised Statutes Cumulative Supplement,
19 2022, is amended to read:

20 ~~85-1804~~ The Nebraska educational savings plan trust is created. The
21 State Treasurer is the trustee of the trust and as such is responsible
22 for the administration, operation, and maintenance of the program and has
23 all powers necessary to carry out and effectuate the purposes,
24 objectives, and provisions of sections 102 to 117 of this act ~~85-1801 to~~
25 ~~85-1817~~ pertaining to the administration, operation, and maintenance of
26 the trust and program, except that the state investment officer shall
27 have fiduciary responsibility to make all decisions regarding the
28 investment of the money in the administrative fund, expense fund, and
29 program fund, including the selection of all investment options and the
30 approval of all fees and other costs charged to trust assets except costs
31 for administration, operation, and maintenance of the trust as

1 appropriated by the Legislature, pursuant to the directions, guidelines,
2 and policies established by the Nebraska Investment Council. The State
3 Treasurer may adopt and promulgate rules and regulations to provide for
4 the efficient administration, operation, and maintenance of the trust and
5 program. The State Treasurer shall not adopt and promulgate rules and
6 regulations that in any way interfere with the fiduciary responsibility
7 of the state investment officer to make all decisions regarding the
8 investment of money in the administrative fund, expense fund, and program
9 fund. The State Treasurer or his or her designee shall have the power to:

10 (1) Enter into agreements with any elementary or secondary school or
11 eligible postsecondary educational institution, the state, any federal or
12 other state agency, or any other entity to implement sections 102 to 117
13 of this act ~~85-1801 to 85-1817~~, except agreements which pertain to the
14 investment of money in the administrative fund, expense fund, or program
15 fund;

16 (2) Carry out the duties and obligations of the trust;

17 (3) Carry out studies and projections to advise participants
18 regarding present and estimated future qualified ~~higher~~ education
19 expenses and levels of financial participation in the trust required in
20 order to enable participants to achieve their educational funding
21 objectives;

22 (4) Participate in any federal, state, or local governmental program
23 for the benefit of the trust;

24 (5) Procure insurance against any loss in connection with the
25 property, assets, or activities of the trust as provided in section
26 81-8,239.01;

27 (6) Enter into participation agreements with participants;

28 (7) Make payments to elementary or secondary schools or eligible
29 postsecondary educational institutions pursuant to participation
30 agreements on behalf of beneficiaries and make qualified education loan
31 payments on behalf of beneficiaries or their siblings;

1 (8) Make distributions to participants upon the termination of
2 participation agreements pursuant to the provisions, limitations, and
3 restrictions set forth in sections 102 to 117 of this act ~~85-1801 to~~
4 ~~85-1817~~;

5 (9) Contract for goods and services and engage personnel as
6 necessary, including consultants, actuaries, managers, legal counsels,
7 and auditors for the purpose of rendering professional, managerial, and
8 technical assistance and advice regarding trust administration and
9 operation, except contracts which pertain to the investment of the
10 administrative, expense, or program funds; and

11 (10) Establish, impose, and collect administrative fees and charges
12 in connection with transactions of the trust, and provide for reasonable
13 service charges, including penalties for cancellations and late payments
14 with respect to participation agreements.

15 The Nebraska Investment Council may adopt and promulgate rules and
16 regulations to provide for the prudent investment of the assets of the
17 trust. The council or its designee also has the authority to select and
18 enter into agreements with individuals and entities to provide investment
19 advice and management of the assets held by the trust, establish
20 investment guidelines, objectives, and performance standards with respect
21 to the assets held by the trust, and approve any fees, commissions, and
22 expenses, which directly or indirectly affect the return on assets.

23 Sec. 105. Section 85-1805, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 ~~85-1805~~ Any advertising or promotional materials relating to the
26 Nebraska educational savings plan trust may include references to a
27 public office but shall not refer to an officeholder by name.

28 Sec. 106. Section 85-1806, Revised Statutes Cumulative Supplement,
29 2022, is amended to read:

30 ~~85-1806~~ The Nebraska educational savings plan trust may enter into
31 participation agreements with participants on behalf of beneficiaries

1 pursuant to the following terms and conditions:

2 (1) A participation agreement shall authorize a participant to make
3 contributions to an account which is established for the purpose of
4 meeting the qualified ~~higher~~ education expenses of a beneficiary as
5 allowed by section 529 of the Internal Revenue Code. A participant shall
6 not be required to make an annual contribution on behalf of a
7 beneficiary, shall not be subject to minimum contribution requirements,
8 and shall not be required to maintain a minimum account balance. The
9 maximum contribution shall not exceed the amount allowed under section
10 529 of the Internal Revenue Code. The State Treasurer may set a maximum
11 cumulative contribution, as necessary, to maintain compliance with
12 section 529 of the Internal Revenue Code. Participation agreements may be
13 amended to provide for adjusted levels of contributions based upon
14 changed circumstances or changes in educational plans or to ensure
15 compliance with section 529 of the Internal Revenue Code or any other
16 applicable laws and regulations;

17 (2) Beneficiaries designated in participation agreements shall meet
18 the requirements established by the trustee and section 529 of the
19 Internal Revenue Code;

20 (3) Payment of benefits provided under participation agreements
21 shall be made in a manner consistent with section 529 of the Internal
22 Revenue Code;

23 (4) The execution of a participation agreement by the trust shall
24 not guarantee in any way that qualified ~~higher~~ education expenses will be
25 equal to projections and estimates provided by the trust or that the
26 beneficiary named in any participation agreement will (a) be admitted to
27 an elementary or secondary school or eligible postsecondary educational
28 institution, (b) if admitted, be determined a resident for tuition
29 purposes by the elementary or secondary school or eligible postsecondary
30 educational institution, (c) be allowed to continue attendance at the
31 elementary or secondary school or eligible postsecondary educational

1 institution following admission, or (d) graduate from the elementary or
2 secondary school or eligible postsecondary educational institution;

3 (5) A beneficiary under a participation agreement may be changed as
4 permitted under the rules and regulations adopted under sections 102 to
5 117 of this act ~~85-1801 to 85-1817~~ and consistent with section 529 of the
6 Internal Revenue Code upon written request of the participant as long as
7 the substitute beneficiary is eligible for participation. Participation
8 agreements may otherwise be freely amended throughout their term in order
9 to enable participants to increase or decrease the level of
10 participation, change the designation of beneficiaries, and carry out
11 similar matters as authorized by rule and regulation; and

12 (6) Each participation agreement shall provide that the
13 participation agreement may be canceled upon the terms and conditions and
14 upon payment of applicable fees and costs set forth and contained in the
15 rules and regulations.

16 Sec. 107. Section 85-1807, Revised Statutes Cumulative Supplement,
17 2022, is amended to read:

18 ~~85-1807~~ (1) The State Treasurer shall deposit money received by the
19 Nebraska educational savings plan trust into three funds: The Education
20 ~~College~~ Savings Plan Program Fund, the Education ~~College~~ Savings Plan
21 Expense Fund, and the Education ~~College~~ Savings Plan Administrative Fund.
22 The State Treasurer shall deposit money received by the trust into the
23 appropriate fund. The State Treasurer and Accounting Administrator of the
24 Department of Administrative Services shall determine the state fund
25 types necessary to comply with section 529 of the Internal Revenue Code
26 and state policy. The money in the funds shall be invested by the state
27 investment officer pursuant to policies established by the Nebraska
28 Investment Council. The program fund, the expense fund, and the
29 administrative fund shall be separately administered. The Nebraska
30 educational savings plan trust shall be operated with no General Fund
31 appropriations.

1 (2) The Education College Savings Plan Program Fund is created. All
2 money paid in connection with participation agreements and all investment
3 income earned on such money shall be deposited as received into separate
4 accounts within the program fund. Contributions to the trust may only be
5 made in the form of cash. All funds generated in connection with
6 participation agreements shall be deposited into the appropriate accounts
7 within the program fund. A participant or beneficiary shall not provide
8 investment direction regarding program contributions or earnings held by
9 the trust. Money accrued in the program fund may be used for the benefit
10 of a beneficiary for payments to any elementary or secondary school or
11 eligible postsecondary educational institution, ~~but shall not be used to~~
12 ~~pay expenses associated with attending kindergarten through grade twelve.~~
13 Any money in the program fund available for investment shall be invested
14 by the state investment officer pursuant to the Nebraska Capital
15 Expansion Act and the Nebraska State Funds Investment Act.

16 (3) The Education College Savings Plan Administrative Fund is
17 created. Money from the trust transferred from the expense fund to the
18 administrative fund in an amount authorized by an appropriation from the
19 Legislature shall be utilized to pay for the costs of administering,
20 operating, and maintaining the trust, to the extent permitted by section
21 529 of the Internal Revenue Code. The administrative fund shall not be
22 credited with any money other than money transferred from the expense
23 fund in an amount authorized by an appropriation by the Legislature or
24 any interest income earned on the balances held in the administrative
25 fund. Any money in the administrative fund available for investment shall
26 be invested by the state investment officer pursuant to the Nebraska
27 Capital Expansion Act and the Nebraska State Funds Investment Act.

28 (4)(a) The Education College Savings Plan Expense Fund is created.
29 The expense fund shall be funded with fees assessed to the program fund.
30 The State Treasurer shall use the expense fund:

31 (i) To pay costs associated with the Nebraska educational savings

1 plan trust;

2 (ii) For the purposes described in the Meadowlark Act; and

3 ~~(iii) On or before September 1, 2020, to transfer from the expense~~
4 ~~fund to the Department of Revenue Miscellaneous Receipts Fund fifty-nine~~
5 ~~thousand five hundred dollars to defray the costs incurred to implement~~
6 ~~Laws 2020, LB1042; and~~

7 (iii) ~~(iv)~~ To transfer from the expense fund to the State Investment
8 Officer's Cash Fund an amount equal to the pro rata share of the budget
9 appropriated to the Nebraska Investment Council as permitted in section
10 72-1249.02, to cover reasonable expenses incurred for investment
11 management of the Nebraska educational savings plan trust. Annually and
12 prior to such transfer to the State Investment Officer's Cash Fund, the
13 State Treasurer shall report to the budget division of the Department of
14 Administrative Services and to the Legislative Fiscal Analyst the amounts
15 transferred during the previous fiscal year. The report submitted to the
16 Legislative Fiscal Analyst shall be submitted electronically.

17 (b) Any money in the expense fund available for investment shall be
18 invested by the state investment officer pursuant to the Nebraska Capital
19 Expansion Act and the Nebraska State Funds Investment Act.

20 Sec. 108. Section 85-1808, Revised Statutes Cumulative Supplement,
21 2022, is amended to read:

22 ~~85-1808~~ (1) A participant may cancel a participation agreement at
23 will by submitting a request to terminate the participation agreement.
24 Additionally, if a participant requests and obtains a nonqualified
25 withdrawal, the participation agreement shall be deemed canceled with
26 respect to the amount of the nonqualified withdrawal. A participation
27 agreement shall not be deemed canceled if a participant requests and
28 obtains a distribution of his or her entire account balance for qualified
29 ~~higher~~ education expenses and subsequently closes his or her account.
30 Furthermore, the State Treasurer shall have the power to terminate,
31 freeze, or suspend a participation agreement if he or she determines that

1 the participant provided false or misleading information to the detriment
2 of the Nebraska educational savings plan trust, if the participant's
3 account has a zero balance, or if the State Treasurer is unable to verify
4 the identity of the participant.

5 (2) If a participation agreement is canceled for any of the causes
6 listed in this subsection, the participant shall be entitled to receive
7 the principal amount of all contributions made by the participant under
8 the participation agreement plus the actual program fund investment
9 income earned on the contributions, less any losses incurred on the
10 investment, and such distribution will generally not be subject to
11 federal tax penalty:

12 (a) Death of the beneficiary if the distribution is paid to the
13 estate of the beneficiary or transferred to another beneficiary as set
14 forth in subsection (10) of section 109 of this act ~~85-1809~~;

15 (b) Permanent disability or mental incapacity of the beneficiary;

16 (c) The beneficiary is awarded a scholarship as defined in section
17 529 of the Internal Revenue Code, but only to the extent the distribution
18 of earnings does not exceed the scholarship amount; or

19 (d) A qualified rollover is made as permitted by section 529 of the
20 Internal Revenue Code, except that if a qualified rollover is made into a
21 plan sponsored by another state or entity, the participation agreement
22 shall be deemed to have been canceled for purposes of subdivision (8)(d)
23 of section 77-2716 and federal adjusted gross income shall be increased
24 to the extent previously deducted as a contribution to the trust.

25 (3) Notwithstanding any other provisions of this section, under no
26 circumstances shall a participant or beneficiary receive a distribution
27 that is more than the fair market value of the specific account on the
28 applicable liquidation date.

29 (4) If a participant cancels a participation agreement, obtains a
30 rollover into a plan sponsored by another state or entity, or obtains a
31 distribution, a portion of which constitutes a nonqualified withdrawal,

1 the amount of the distribution, rollover, or withdrawal will be subject
2 to recapture of previous Nebraska state income tax deductions as set
3 forth in subdivision (8)(d) of section 77-2716. The transfer of assets
4 among plans sponsored by the State of Nebraska shall be considered an
5 investment option change and not a rollover.

6 Sec. 109. Section 85-1809, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 ~~85-1809~~ (1) A participant retains ownership of all contributions
9 made under a participation agreement up to the date of utilization for
10 payment of qualified ~~higher~~ education expenses for the beneficiary or, in
11 the case of a qualified education loan payment, for the beneficiary or a
12 sibling of the beneficiary. Notwithstanding any other provision of law,
13 any amount credited to any account is not susceptible to any levy,
14 execution, judgment, or other operation of law, garnishment, or other
15 judicial enforcement, and the amount is not an asset or property of
16 either the participant or the beneficiary for the purposes of any state
17 insolvency or inheritance tax laws. All income derived from the
18 investment of the contributions made by the participant shall be
19 considered to be held in trust for the benefit of the beneficiary.

20 (2) If the program created by sections 102 to 117 of this act
21 ~~85-1801 to 85-1817~~ is terminated prior to payment of qualified ~~higher~~
22 education expenses, the participant is entitled to receive the fair
23 market value of the account established in the program.

24 (3) If the beneficiary graduates from an eligible postsecondary
25 educational institution and a balance remains in the participant's
26 account, any remaining funds may be used to make qualified education loan
27 payments for siblings of the beneficiary or transferred as allowed by
28 rule or regulation, subject to the provisions of section 529 of the
29 Internal Revenue Code, as well as any other applicable state or federal
30 laws or regulations.

31 (4) The elementary or secondary school or eligible postsecondary

1 educational institution shall obtain ownership of the payments made for
2 the qualified ~~higher~~ education expenses paid to the institution at the
3 time each payment is made to the institution.

4 (5) Any amounts which may be paid to any person or persons pursuant
5 to the Nebraska educational savings plan trust but which are not listed
6 in this section are owned by the trust.

7 (6) A participant may transfer ownership rights to another eligible
8 participant, including a gift of the ownership rights to a minor
9 beneficiary. The transfer shall be made and the property distributed in
10 accordance with the rules and regulations or with the terms of the
11 participation agreement.

12 (7) A participant shall not be entitled to utilize any interest in
13 the Nebraska educational savings plan trust as security for a loan.

14 (8) The Nebraska educational savings plan trust may accept transfers
15 of cash investments from a custodian under the Nebraska Uniform Transfers
16 to Minors Act or any other similar laws under the terms and conditions
17 established by the trustee.

18 (9) A participant may designate a successor account owner to succeed
19 to all of the participant's rights, title, and interest in an account,
20 including the right to change the account beneficiary, upon the death or
21 legal incapacity of the participant. If a participant dies or becomes
22 legally incapacitated and has failed to name a successor account owner,
23 the account beneficiary shall become the account owner.

24 (10) Upon the death of a beneficiary, the participant may change the
25 beneficiary on the account, transfer assets to another beneficiary who is
26 a member of the family of the former beneficiary, or request a
27 nonqualified withdrawal.

28 Sec. 110. Section 85-1810, Revised Statutes Cumulative Supplement,
29 2022, is amended to read:

30 ~~85-1810~~ (1) A student loan program, student grant program, or other
31 program administered by any agency of the state, except as may be

1 otherwise provided by federal law or the provisions of any specific grant
2 applicable to the federal law, shall not take into account and shall not
3 consider amounts available for the payment of qualified higher education
4 expenses pursuant to the Nebraska educational savings plan trust in
5 determining need and eligibility for student aid.

6 (2) A government program administered by any agency of the state
7 that provides benefits or aid to individuals based on financial need,
8 except as may be otherwise provided by federal law or the provisions of
9 any specific grant applicable to the federal law, shall not take into
10 account and shall not consider contributions made to a participant's
11 account by the participant's employer in determining the income of such
12 participant.

13 Sec. 111. Section 85-1811, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 ~~85-1811~~ (1) The State Treasurer shall submit an annual audited
16 financial report, prepared in accordance with generally accepted
17 accounting principles, on the operations of the Nebraska educational
18 savings plan trust by November 1 to the Governor and the Legislature. The
19 report submitted to the Legislature shall be submitted electronically.
20 The State Treasurer shall cause the audit to be made either by the
21 Auditor of Public Accounts or by an independent certified public
22 accountant designated by the State Treasurer, and the audit shall include
23 direct and indirect costs attributable to the use of outside consultants,
24 independent contractors, and any other persons who are not state
25 employees.

26 (2) The annual audit shall be supplemented by all of the following
27 information prepared by the State Treasurer:

28 (a) Any related studies or evaluations prepared in the preceding
29 year;

30 (b) A summary of the benefits provided by the trust, including the
31 number of participants and beneficiaries in the trust; and

1 (c) Any other information which is relevant in order to make a full,
2 fair, and effective disclosure of the operations of the trust, including
3 the investment performance of the funds.

4 Sec. 112. Section 85-1812, Revised Statutes Cumulative Supplement,
5 2022, is amended to read:

6 ~~85-1812~~ (1) For federal income tax purposes, the Nebraska
7 educational savings plan trust shall be considered a qualified state
8 tuition program exempt from taxation pursuant to section 529 of the
9 Internal Revenue Code. The trust meets the requirements of section 529(b)
10 of the Internal Revenue Code as follows:

11 (a) Pursuant to section 106 of this act ~~85-1806~~, a participant may
12 make contributions to an account which is established for the purpose of
13 meeting the qualified ~~higher~~ education expenses of the designated
14 beneficiary of the account or, in the case of a qualified education loan
15 payment, the designated beneficiary of the account or a sibling of the
16 designated beneficiary;

17 (b) Pursuant to section 106 of this act ~~85-1806~~, a maximum
18 contribution level is established;

19 (c) Pursuant to section 107 of this act ~~85-1807~~, a separate account
20 is established for each beneficiary;

21 (d) Pursuant to section 107 of this act ~~85-1807~~, contributions may
22 only be made in the form of cash;

23 (e) Pursuant to section 107 of this act ~~85-1807~~, a participant or
24 beneficiary shall not provide investment direction regarding program
25 contributions or earnings held by the trust;

26 (f) Penalties are provided on distributions of earnings which are:

27 (i) Not used for qualified ~~higher~~ education expenses of the beneficiary
28 or, in the case of a qualified education loan payment, the beneficiary or
29 a sibling of the beneficiary; (ii) made on account of the death of the
30 designated beneficiary if the distribution is not transferred to another
31 beneficiary or paid to the estate of the beneficiary; (iii) not made on

1 account of the permanent disability or mental incapacity of the
2 designated beneficiary; or (iv) made due to scholarship, allowance, or
3 payment receipt in excess of the scholarship, allowance, or payment
4 receipt; and

5 (g) Pursuant to section 109 of this act ~~85-1809~~, a participant shall
6 not pledge any interest in the trust as security for a loan.

7 (2) State income tax treatment of the Nebraska educational savings
8 plan trust shall be as provided in section 77-2716.

9 (3) For purposes of federal gift and generation-skipping transfer
10 taxes, contributions to an account are considered a completed gift from
11 the contributor to the beneficiary.

12 Sec. 113. Section 85-1813, Revised Statutes Cumulative Supplement,
13 2022, is amended to read:

14 ~~85-1813~~ The assets of the Nebraska educational savings plan trust,
15 including the program fund and excluding the administrative fund and the
16 expense fund, shall at all times be preserved, invested, and expended
17 solely and only for the purposes of the trust and shall be held in trust
18 for the participants and beneficiaries. No property rights in the trust
19 shall exist in favor of the state. Assets of the trust, including the
20 program fund, the administrative fund, and the expense fund, shall not be
21 transferred or used by the state for any purposes other than the purposes
22 of the trust.

23 Sec. 114. Section 85-1814, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 ~~85-1814~~ Nothing in sections 102 to 113 of this act ~~85-1801 to~~
26 ~~85-1813~~ shall be deemed to prohibit both resident and nonresident
27 participants and designated beneficiaries from being eligible to
28 participate in and benefit from the Nebraska educational savings plan
29 trust and program. It is the intent of the Legislature that funds and
30 income credited to the program fund are fully portable and may be used at
31 any elementary or secondary school or eligible postsecondary educational

1 institution.

2 Sec. 115. Section 85-1815, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 ~~85-1815~~ (1) The College Savings Incentive Cash Fund is created. The
5 fund shall be administered by the State Treasurer and shall be used to
6 provide incentive payments under the Employer Matching Contribution
7 Incentive Program established in section 116 of this act ~~85-1816~~ and to
8 provide matching scholarships under the College Savings Plan Low-Income
9 Matching Scholarship Program established in section 117 of this act
10 ~~85-1817~~. The State Treasurer shall accept contributions from any private
11 individual or private entity and shall credit all such contributions
12 received to the College Savings Incentive Cash Fund for the purpose of
13 providing an ongoing source of funding for the College Savings Plan Low-
14 Income Matching Scholarship Program. The matching contributions for which
15 incentive payments are made under the Employer Matching Contribution
16 Incentive Program and the matching scholarships provided under the
17 College Savings Plan Low-Income Matching Scholarship Program shall not be
18 used to pay expenses associated with attending kindergarten through grade
19 twelve.

20 (2) The College Savings Incentive Cash Fund shall not be considered
21 an asset of the Nebraska educational savings plan trust.

22 (3) Any money in the fund available for investment shall be invested
23 by the state investment officer pursuant to the Nebraska Capital
24 Expansion Act and the Nebraska State Funds Investment Act.

25 Sec. 116. Section 85-1816, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 ~~85-1816~~ (1) The Employer Matching Contribution Incentive Program is
28 created. The program shall begin on January 1, 2022, and shall be
29 implemented and administered by the State Treasurer. The purpose of the
30 program is to encourage employers to make matching contributions by
31 providing incentive payments for such contributions.

1 (2) For purposes of this section:

2 (a) Employer means any individual, partnership, limited liability
3 company, association, corporation, business trust, legal representative,
4 or organized group of persons employing one or more employees at any one
5 time, but such term does not include the United States, the state, or any
6 political subdivision thereof; and

7 (b) Matching contribution means a contribution made by an employer
8 to an account established under the Nebraska educational savings plan
9 trust in an amount matching all or part of a contribution made to that
10 same account by an individual who resided in the State of Nebraska during
11 the most recently completed taxable year and is an employee of such
12 employer.

13 (3) Beginning January 1, 2022, an employer shall be eligible to
14 receive an incentive payment under this section if the employer made
15 matching contributions during the immediately preceding calendar year.

16 (4) In order to receive an incentive payment under this section, an
17 employer shall submit an application to the State Treasurer on forms
18 prescribed by the State Treasurer. The State Treasurer shall accept
19 applications from January 1 to June 1 of each year beginning in 2022. The
20 application shall include:

21 (a) The number of employees for whom matching contributions were
22 made in the immediately preceding calendar year;

23 (b) The amount of the matching contributions made in the immediately
24 preceding calendar year for each employee; and

25 (c) Any other information required by the State Treasurer.

26 (5) If the State Treasurer determines that the employer qualifies
27 for an incentive payment under this section, the State Treasurer shall
28 approve the application and shall notify the employer of the approval.
29 The State Treasurer may approve applications until the annual limit
30 provided in subsection (6) of this section has been reached. An employer
31 whose application is approved shall receive an incentive payment equal to

1 twenty-five percent of the total matching contributions made during the
2 immediately preceding calendar year, not to exceed two thousand dollars
3 per contributing employee per year. An employer shall not receive an
4 incentive payment for a matching contribution if the employer claimed an
5 income tax deduction pursuant to subdivision (8)(b) of section 77-2716
6 for such matching contribution. Employers shall be limited to one
7 incentive payment per beneficiary. The matching contributions for which
8 incentive payments are made shall not be used to pay expenses associated
9 with attending kindergarten through grade twelve.

10 (6) The State Treasurer may approve a total of two hundred fifty
11 thousand dollars of incentive payments each calendar year.

12 (7) On or before June 30, 2022, and on or before June 30 of each
13 year thereafter, the State Treasurer shall determine the total amount of
14 incentive payments approved for the year, shall transfer such amount from
15 the Education College College Savings Plan Expense Fund or the Unclaimed Property
16 Trust Fund, as determined by the State Treasurer, to the College Savings
17 Incentive Cash Fund, and shall distribute such incentive payments to the
18 approved employers.

19 (8) The State Treasurer may adopt and promulgate rules and
20 regulations to carry out the Employer Matching Contribution Incentive
21 Program.

22 Sec. 117. Section 85-1817, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 ~~85-1817~~ (1) Beginning January 1, 2022, there is hereby established
25 the College Savings Plan Low-Income Matching Scholarship Program. The
26 purpose of the program is to encourage private contributions to accounts
27 established under the Nebraska educational savings plan trust for the
28 benefit of individuals with limited means. The State Treasurer shall
29 implement and administer the program.

30 (2) A participant shall be eligible for the program if the
31 beneficiary for whom private contributions are made is part of a family

1 whose household income for the most recently completed taxable year is
2 not more than two hundred fifty percent of the federal poverty level and
3 the beneficiary is a resident of the State of Nebraska.

4 (3) Applications for participation in the program shall be submitted
5 to the State Treasurer on forms prescribed by the State Treasurer. If the
6 requirements of subsection (2) of this section are met, the State
7 Treasurer shall approve the application and notify the applicant of the
8 approval. The State Treasurer may approve applications until the annual
9 limit provided in subsection (7) of this section has been reached.

10 (4) Any participant who is approved for the program under subsection
11 (3) of this section must resubmit an application each year thereafter and
12 be reapproved in order to continue participation in the program.

13 (5) If a participant is approved for the program, any contribution
14 made by such participant under the program shall be matched with
15 scholarship funds provided by the State of Nebraska. The matching
16 scholarship shall be equal to:

17 (a) One hundred percent of the participant's contribution if the
18 beneficiary for whom the contribution is made is part of a family whose
19 household income for the most recently completed taxable year is more
20 than two hundred percent of the federal poverty level but not more than
21 two hundred fifty percent of the federal poverty level, not to exceed one
22 thousand dollars annually; or

23 (b) Two hundred percent of the participant's contribution if the
24 beneficiary for whom the contribution is made is part of a family whose
25 household income for the most recently completed taxable year is not more
26 than two hundred percent of the federal poverty level, not to exceed one
27 thousand dollars annually.

28 (6) Between January 1 and January 31 of each year, the State
29 Treasurer shall transfer the amount necessary to meet the matching
30 obligations of this section for the preceding calendar year, minus the
31 amount of any private contributions received pursuant to subsection (1)

1 of section 115 of this act ~~85-1815~~ during the preceding calendar year,
2 from the Education College Savings Plan Expense Fund or the Unclaimed
3 Property Trust Fund, as determined by the State Treasurer, to the College
4 Savings Incentive Cash Fund. The State Treasurer shall transfer from the
5 College Savings Incentive Cash Fund to the Education College Savings Plan
6 Program Fund the amount necessary to meet the matching obligations of
7 this section for the preceding calendar year. The Nebraska educational
8 savings plan trust shall own all scholarships awarded under this section.
9 Neither the participant nor the beneficiary shall have any ownership
10 rights to or interest in, title to, or power or control over such
11 scholarships. Scholarship funds disbursed shall only be used to pay the
12 qualified ~~higher~~ education expenses associated with attending an eligible
13 postsecondary educational institution located in this state and shall not
14 be used to pay expenses associated with attending kindergarten through
15 grade twelve. Any disbursement of such scholarships shall be made before
16 the beneficiary reaches thirty years of age. Once the beneficiary reaches
17 thirty years of age, any unused scholarship funds shall be transferred to
18 the Meadowlark Endowment Fund.

19 (7) The State Treasurer may approve a total of two hundred fifty
20 thousand dollars of scholarships each calendar year under the College
21 Savings Plan Low-Income Matching Scholarship Program.

22 Sec. 118. The Department of Transportation Aeronautics Capital
23 Improvement Fund is created. The fund shall consist of money credited to
24 the fund pursuant to section 77-27,132, transfers authorized by the
25 Legislature, and any gifts, grants, bequests, or donations to the fund.
26 The fund shall be administered by the Department of Transportation and
27 shall be used to build, repair, renovate, rehabilitate, restore, modify,
28 or improve any infrastructure at any public-use airport licensed by the
29 Division of Aeronautics of the Department of Transportation. Any money in
30 the fund available for investment shall be invested by the state
31 investment officer pursuant to the Nebraska Capital Expansion Act and the

1 Nebraska State Funds Investment Act.

2 Sec. 119. Section 81-1229, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 81-1229 (1) The director shall establish a workforce housing grant
5 program to foster and support the development of workforce housing in
6 rural communities.

7 (2) A nonprofit development organization may apply to the director
8 for approval of a workforce housing grant for a workforce housing
9 investment fund. The application shall be in a form and manner prescribed
10 by the director. Through fiscal year 2026-27, grants shall be awarded by
11 the director on a competitive basis until grant funds are no longer
12 available. Grant maximums shall not exceed one million dollars to any one
13 nonprofit development organization over a two-year period, with the
14 cumulative amount for any single grantee to be determined by the
15 department at the discretion of the director. An applicant shall provide
16 matching funds of at least one-quarter ~~one-half~~ of the amount of
17 workforce housing grant funds awarded. Unallocated workforce housing
18 grant funds held by the department shall be rolled to the next program
19 year.

20 (3) Grants shall be awarded based upon:

21 (a) A demonstrated and ongoing housing need as identified by a
22 recent housing study;

23 (b) A community or region that has a low unemployment rate and is
24 having difficulty attracting workers and filling employment positions;

25 (c) A community or region that exhibits a demonstrated commitment to
26 growing its housing stock;

27 (d) Projects that can reasonably be ready for occupancy in a period
28 of twenty-four months; and

29 (e) A demonstrated ability to grow and manage a workforce housing
30 investment fund.

31 (4) A nonprofit development organization shall:

1 (a) Invest or intend to invest in workforce housing eligible
2 activities;

3 (b) Use any fees, interest, loan repayments, or other funds it
4 received as a result of the administration of the grant to support
5 qualified activities; and

6 (c) Have an active board of directors with expertise in development,
7 construction, and finance that meets at least quarterly to approve all
8 qualified investments made by the nonprofit development organization. A
9 nonprofit development organization shall have a formal plan and proven
10 expertise to invest unused workforce housing investment fund balances and
11 shall have an annual review of all financial records conducted by an
12 independent certified public accountant.

13 Sec. 120. Section 81-12,182, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 81-12,182 (1) In order to be eligible to receive the matching funds
16 allowed in the Nebraska Transformational Projects Act, the applicant
17 shall file an application with the director, on a form developed by the
18 director, requesting an agreement.

19 (2) The application shall:

20 (a) Identify the project, including the qualified location of such
21 project, and state that the applicant is pursuing a partnership with the
22 federal government pursuant to Title VII, Subtitle C, section 740 of
23 Public Law 116-92 for the project;

24 (b) State the estimated, projected amount of total new investment at
25 the project, which shall not be less than one billion six hundred million
26 dollars, including the estimated, projected amount of private dollars and
27 matching funds;

28 (c) Include an independent assessment of the economic impact to
29 Nebraska from the project and its construction, which shall be performed
30 by a professional economist or economics firm which is not in the regular
31 employ of the applicant. The assessment must show, to the reasonable

1 satisfaction of the director, an economic impact to Nebraska of at least
2 two billion seven hundred million dollars during the planning and
3 construction period and at least four billion six hundred million dollars
4 during the ten-year period beginning either when construction is
5 commenced or when the application is approved;

6 (d) Include approval of the project and of submission of the
7 application by the governing body of the applicant. Approval of the
8 project may be subject to other federal, state, and local government
9 approvals needed to complete the project and subject to obtaining the
10 funding, financing, and donations needed for the project;

11 (e) State the E-Verify number or numbers that will be used by the
12 applicant for employees at the qualified location as provided by the
13 United States Citizenship and Immigration Services; and

14 (f) Contain a nonrefundable application fee of twenty-five thousand
15 dollars. The fee shall be remitted to the State Treasurer for credit to
16 the Nebraska Transformational Project Fund.

17 (3) An application must be complete to establish the date of the
18 application. An application shall be considered complete once it contains
19 the items listed in subsection (2) of this section.

20 (4) Once satisfied that the application is complete and that the
21 applicant is eligible to receive the matching funds allowed in the
22 Nebraska Transformational Projects Act, the director shall approve the
23 application.

24 (5) There shall be no new applications filed under this section
25 after December 31, 2025 ~~2023~~. Any complete application filed on or before
26 December 31, 2025 ~~2023~~, shall be considered by the director and approved
27 if the location and applicant qualify for approval. Agreements may be
28 executed with regard to any complete application filed on or before
29 December 31, 2025 ~~2023~~.

30 Sec. 121. Section 82-334, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

1 82-334 (1) The Support the Arts Cash Fund is created. The fund shall
2 consist of all money credited to the fund pursuant to section 60-3,252
3 and all money transferred to the fund pursuant to section 13-3108.

4 (2) The Nebraska Arts Council shall administer and distribute the
5 Support the Arts Cash Fund. The fund shall be expended by the Nebraska
6 Arts Council (a) to provide aid to communities that designate a focus
7 area of the city or village for arts and cultural development, (b) to
8 provide money for a competitive grant program that awards a grant to any
9 creative district that meets the criteria for the competitive grant, if
10 such program exists, (c) to provide money for the competitive grant
11 program for cities of the first class, cities of the second class, and
12 villages described in section 82-335, and (d) to defray costs directly
13 related to the administration of the fund.

14 (3) All money transferred to the fund pursuant to section 13-3108
15 shall be used for the competitive grant program for cities of the first
16 class, cities of the second class, and villages described in section
17 82-335.

18 (4) Any money in the fund available for investment shall be invested
19 by the state investment officer pursuant to the Nebraska Capital
20 Expansion Act and the Nebraska State Funds Investment Act.

21 Sec. 122. Section 82-335, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 82-335 (1) The Nebraska Arts Council shall establish a competitive
24 grant program to award grants to cities of the first class, cities of the
25 second class, and villages as provided in this section. The grants shall
26 be awarded from funds transferred to the Support the Arts Cash Fund
27 pursuant to subdivision (9)(a) of section 13-3108.

28 (2) A city of the first class, city of the second class, or village
29 is eligible for a grant under this section if:

30 (a) The city or village has a creative district within its
31 boundaries that has a ten-year plan for integration of the arts intended

1 to catalyze economic and workforce development initiatives in such city
2 or village; and

3 (b) The city or village is not receiving state assistance under the
4 Sports Arena Facility Financing Assistance Act.

5 (3) Priority in grant funding shall go to any city of the first
6 class, city of the second class, or village described in subsection (2)
7 of this section whose project includes the partnership of a city or
8 village convention and visitors bureau or county convention and visitors
9 bureau.

10 (4) Grants under this section may fund capital assets, video
11 projection mapping, and intangible video or audio artistic expression
12 presentations. Grants shall not fund ongoing operational and personnel
13 expenses of a political subdivision or nonprofit corporation, live
14 performances, promotional or marketing efforts of the creative district,
15 legal expenses, lobbying expenses, planning expenses, architectural
16 expenses, or engineering expenses.

17 (5) Any assets acquired using grant funds shall be owned by the city
18 of the first class, city of the second class, or village receiving such
19 grant.

20 (6) Any grant awarded under this section shall be in an amount
21 determined by the Nebraska Arts Council, which shall not be less than one
22 million five hundred thousand dollars.

23 (7) For purposes of this section, creative district means a creative
24 district established pursuant to subdivision (5) of section 82-312.

25 Sec. 123. Section 85-2601, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 85-2601 Sections 85-2601 to 85-2604 and sections 126, 128, and 129
28 of this act shall be known and may be cited as the First Responder
29 Recruitment and Retention Law Enforcement Education Act.

30 Sec. 124. Section 85-2602, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

1 85-2602 For purposes of the First Responder Recruitment and
2 Retention Law Enforcement Education Act:

3 (1) Associate degree program means a degree program at a community
4 college, state college, or state university which typically requires
5 completion of an organized program of study of at least sixty semester
6 credit hours or an equivalent that can be shown to accomplish the same
7 goal. Associate degree program does not include a baccalaureate degree
8 program;

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

14 (3) Community college means a public postsecondary educational
15 institution which is part of the community college system and includes
16 all branches and campuses of such institution located within the State of
17 Nebraska;

18 (4) Law enforcement officer means any person who is responsible for
19 the prevention or detection of crime or the enforcement of the penal,
20 traffic, or highway laws of the State of Nebraska or any political
21 subdivision of the state for more than one hundred hours per year and who
22 is authorized by law to make arrests;

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

25 (6) Professional firefighter means a firefighter or firefighter-
26 paramedic who is a member of a paid fire department of a municipality or
27 a rural or suburban fire protection district in this state, including a
28 municipality having a home rule charter or a municipal authority created
29 pursuant to a home rule charter that has its own paid fire department,
30 and for whom firefighting is a full-time career;

31 (7) ~~(6)~~ State college means a public postsecondary educational

1 institution which is part of the Nebraska state college system and
2 includes all branches and campuses of such institution located within the
3 State of Nebraska;

4 (8) ~~(7)~~ State university means a public postsecondary educational
5 institution which is part of the University of Nebraska and includes all
6 branches and campuses of such institution located within the State of
7 Nebraska; and

8 (9) ~~(8)~~ Tuition means the charges and cost of tuition as set by the
9 governing body of a state university, state college, or community
10 college.

11 Sec. 125. Section 85-2603, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 85-2603 (1) A law enforcement officer shall be entitled to a waiver
14 of one hundred percent of the resident tuition charges of any state
15 university, state college, or community college if the officer:

16 (a) Maintains satisfactory performance with his or her law
17 enforcement agency;

18 (b) Meets all admission requirements of the state university, state
19 college, or community college;~~and~~

20 (c) Pursues studies leading to a degree that relates to a career in
21 law enforcement from an associate degree program or a baccalaureate
22 degree program; and -

23 (d) For an officer applying for a waiver after the operative date of
24 this section, files with the Department of Revenue documentation showing
25 proof of employment as a law enforcement officer and proof of residence
26 in Nebraska each year such officer or such officer's legal dependent
27 applies for and receives the tuition waiver.

28 The officer may receive the tuition waiver for up to five years if
29 he or she otherwise continues to be eligible for participation.

30 (2) Any legal dependent of a law enforcement officer who maintains
31 satisfactory performance with such law enforcement officer's law

1 enforcement agency shall be entitled to a tuition waiver of one hundred
2 percent of the resident tuition charges of any state university, state
3 college, or community college for an associate or baccalaureate degree
4 program if the legal dependent executes an agreement with the state in
5 accordance with section 128 of this act. The legal dependent may receive
6 the tuition waiver for up to five years if the law enforcement officer
7 and the legal dependent continue to be eligible for participation. The
8 five years of tuition waiver eligibility starts once the legal dependent
9 applies for and receives the tuition waiver for the first time and is
10 available to such legal dependent for the next consecutive five years.

11 (3) ~~(2)~~ The state university, state college, or community college
12 shall waive one hundred percent of the officer's or the legal dependent's
13 tuition remaining due after subtracting awarded federal financial aid
14 grants and state scholarships and grants for an eligible law enforcement
15 officer or legal dependent during the time the officer or legal dependent
16 is enrolled. To remain eligible, the officer or legal dependent must
17 comply with all requirements of the institution for continued attendance
18 and award of an associate degree or a baccalaureate degree.

19 (4) ~~(3)~~ An application for the tuition waiver shall include a
20 verification of the law enforcement officer's satisfactory performance as
21 a law enforcement officer. It shall be the responsibility of the officer
22 to obtain a certificate of verification from his or her superior officer
23 in such officer's law enforcement agency attesting to such officer's
24 satisfactory performance. The officer shall include the certificate of
25 verification when the officer or the officer's legal dependent is
26 applying to the state university, state college, or community college in
27 order to obtain tuition waiver upon initial enrollment.

28 (5) ~~(4)~~ Within forty-five days after receipt of a completed
29 application, the state university, state college, or community college
30 shall send written notice of the law enforcement officer's or legal
31 dependent's eligibility or ineligibility for the tuition waiver. If the

1 officer or legal dependent is determined not to be eligible for the
2 tuition waiver, the notice shall include the reason or reasons for such
3 determination and an indication that an appeal of the determination may
4 be made pursuant to the Administrative Procedure Act.

5 Sec. 126. (1)(a) A professional firefighter shall be entitled to a
6 waiver of one hundred percent of the resident tuition charges of any
7 state university, state college, or community college if the professional
8 firefighter:

9 (i) Maintains satisfactory performance with such firefighter's fire
10 department;

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

13 (iii) Pursues studies leading to a degree in science or medicine
14 that relates to a career in professional firefighting from an associate
15 degree program or a baccalaureate degree program; and

16 (iv) Files with the Department of Revenue documentation showing
17 proof of employment as a professional firefighter and proof of residence
18 in Nebraska each year such professional firefighter or such professional
19 firefighter's legal dependent applies for and receives the tuition
20 waiver.

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

24 (2) Any legal dependent of a professional firefighter who maintains
25 satisfactory performance with such professional firefighter's fire
26 department shall be entitled to a tuition waiver of one hundred percent
27 of the resident tuition charges of any state university, state college,
28 or community college for an associate or baccalaureate degree program if
29 the legal dependent executes an agreement with the state in accordance
30 with section 128 of this act. The legal dependent may receive the tuition
31 waiver for up to five years if the professional firefighter and the legal

1 dependent continue to be eligible for participation. The five years of
2 tuition waiver eligibility starts once the legal dependent applies for
3 and receives the tuition waiver for the first time and is available to
4 such legal dependent for the next consecutive five years.

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

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

25 (5) Within forty-five days after receipt of a completed application,
26 the state university, state college, or community college shall send
27 written notice of the professional firefighter's or legal dependent's
28 eligibility or ineligibility for the tuition waiver. If the professional
29 firefighter or legal dependent is determined not to be eligible for the
30 tuition waiver, the notice shall include the reason or reasons for such
31 determination and an indication that an appeal of the determination may

1 be made pursuant to the Administrative Procedure Act.

2 Sec. 127. Section 85-2604, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 85-2604 Each state university, state college, or community college
5 shall adopt and promulgate the procedures, rules, and regulations
6 necessary to carry out the First Responder Recruitment and Retention Law
7 Enforcement Education Act.

8 Sec. 128. (1) Each legal dependent who is a tuition waiver
9 recipient under the First Responder Recruitment and Retention Act shall
10 execute an agreement with the state. Such agreement shall be exempt from
11 the requirements of sections 73-501 to 73-510 and shall include the
12 following terms, as appropriate:

13 (a) The tuition waiver recipient agrees to reside within the State
14 of Nebraska for a period of five years following the use of the tuition
15 waiver;

16 (b) Each year during the five-year period following use of the
17 tuition waiver the tuition waiver recipient agrees to file a tax return
18 with the Department of Revenue to document that such recipient still
19 resides in the State of Nebraska;

20 (c) If the tuition waiver recipient fails to annually file a tax
21 return to prove residency in the State of Nebraska for the five-year
22 period following the use of the tuition waiver or fails to remain a
23 resident of Nebraska for the five-year period following the use of the
24 tuition waiver, the tuition waiver recipient agrees to repay the
25 community college, state college, or state university that such tuition
26 waiver recipient attended the amount of tuition that was waived for such
27 individual if the community college, state college, or state university
28 requests such payment on the dates and in the amounts requested; and

29 (d) Any residency, filing, or payment obligation incurred by the
30 tuition waiver recipient under the First Responder Recruitment and
31 Retention Act is canceled in the event of the tuition recipient's total

1 and permanent disability or death.

2 (2) The five-year residency requirement begins to run after use of
3 the first tuition waiver and:

4 (a) Completion of the five-year tuition waiver eligibility;

5 (b) Completion of an undergraduate degree at a state college or
6 state university;

7 (c) Completion of a two-year degree at a community college and
8 notification by the tuition waiver recipient to the Department of Revenue
9 that such recipient does not intend to pursue an undergraduate degree or
10 additional two-year degree using tuition waivers pursuant to the First
11 Responder Recruitment and Retention Act; or

12 (d) Notification by the tuition waiver recipient to the Department
13 of Revenue that such recipient does not plan to use additional tuition
14 waivers pursuant to the First Responder Recruitment and Retention Act.

15 Sec. 129. The Department of Revenue shall administer and enforce
16 the First Responder Recruitment and Retention Act and may adopt and
17 promulgate rules and regulations to carry out the First Responder
18 Recruitment and Retention Act.

19 Sec. 130. Section 85-2802, Revised Statutes Cumulative Supplement,
20 2022, is amended to read:

21 85-2802 For purposes of the Meadowlark Act:

22 (1) Contribution means a donation which is made for the purpose of
23 providing a source of funding for the Meadowlark Program established in
24 section 85-2804;

25 (2) Eligible postsecondary educational institution has the same
26 meaning as in section 103 of this act ~~85-1802~~;

27 (3) Nebraska educational savings plan trust has the same meaning as
28 in section 103 of this act ~~85-1802~~;

29 (4) Qualified ~~higher~~ education expenses has the same meaning as in
30 section 103 of this act ~~85-1802~~; and

31 (5) Qualified individual means an individual born on or after

1 January 1, 2020, who is a resident of this state at the time of birth.

2 Sec. 131. Section 85-2803, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 85-2803 (1) There is hereby established in the state treasury a
5 trust fund to be known as the Meadowlark Endowment Fund. The fund shall
6 be administered by the State Treasurer and shall consist of qualified
7 private contributions and any amounts appropriated or transferred to the
8 fund by the Legislature. No General Funds shall be transferred to the
9 Meadowlark Endowment Fund. Any money in the fund available for investment
10 shall be invested by the state investment officer pursuant to the
11 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
12 Act. No portion of the principal of the fund shall be expended for any
13 purpose except investment pursuant to this subsection.

14 (2) The State Treasurer may accept contributions and shall credit
15 all such contributions received either to the Meadowlark Endowment Fund
16 or to accounts opened under the Meadowlark Program, at the direction of
17 the donor. Such contributions shall not be used to pay expenses
18 associated with attending kindergarten through grade twelve.

19 (3) On or before April 1 of each year, the State Treasurer shall
20 determine the total amount of contributions received under subsection (2)
21 of this section in the previous calendar year and shall transfer an equal
22 amount from the Education College Savings Plan Expense Fund or the
23 Unclaimed Property Trust Fund, as determined by the State Treasurer, to
24 the Meadowlark Endowment Fund or to accounts opened under the Meadowlark
25 Program. For any amount transferred from the Education College Savings
26 Plan Expense Fund or the Unclaimed Property Trust Fund that is not being
27 transferred to the Meadowlark Endowment Fund, the State Treasurer shall
28 evenly distribute such amount to the accounts opened under the Meadowlark
29 Program in the previous calendar year.

30 Sec. 132. Section 85-2804, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

1 85-2804 (1) The Meadowlark Program is created. The program shall be
2 administered by the State Treasurer. The purpose of the program is to
3 promote access to postsecondary educational opportunities by providing
4 funds to qualified individuals to help pay the qualified ~~higher~~ education
5 expenses associated with attendance at an eligible postsecondary
6 educational institution located in this state.

7 (2) Any qualified individual shall be eligible to participate in the
8 Meadowlark Program. No later than March 1 of each year, the Department of
9 Health and Human Services shall transmit information to the State
10 Treasurer which is necessary to administer the program and to establish
11 whether the children born in the previous calendar year are qualified
12 individuals. Such information shall include, but not be limited to, the
13 full name and residential address of each child's parent or legal
14 guardian and the birthdate of each child. Costs associated with the
15 transfer of information by the Department of Health and Human Services
16 shall be paid from the Education College Savings Plan Expense Fund.

17 (3) Following receipt of the information described in subsection (2)
18 of this section, the State Treasurer shall send a notification explaining
19 the Meadowlark Program to the parent or legal guardian of each qualified
20 individual. The State Treasurer shall provide such parent or legal
21 guardian with the opportunity to exclude his or her child from the
22 program. Any child who is not excluded shall be deemed to be enrolled in
23 the program. Upon enrollment into the program, the child shall have an
24 account opened for him or her under the Nebraska educational savings plan
25 trust.

26 (4) On or before April 1 of each year, the State Treasurer shall
27 determine (a) the number of accounts opened under the Meadowlark Program
28 in the previous calendar year and (b) the amount of investment income
29 generated by the Meadowlark Endowment Fund in the previous calendar year.
30 The State Treasurer shall evenly distribute the investment income from
31 the previous calendar year to the accounts opened in the previous

1 calendar year.

2 (5) The Nebraska educational savings plan trust shall own all
3 accounts opened under the Meadowlark Program. Neither the qualified
4 individual nor his or her parent or legal guardian shall have any
5 ownership rights or interest in, title to, or power or control over such
6 an account.

7 (6) Any disbursement from an account opened under the Meadowlark
8 Program shall be made before the qualified individual reaches thirty
9 years of age. Once a qualified individual reaches thirty years of age,
10 any unused funds in his or her account shall be transferred to the
11 Meadowlark Endowment Fund.

12 (7) Funds disbursed from an account opened under the Meadowlark
13 Program shall only be used to pay the qualified ~~higher~~ education expenses
14 associated with attending an eligible postsecondary educational
15 institution located in this state and shall not be used to pay expenses
16 associated with attending kindergarten through grade twelve.

17 (8) The State Treasurer shall take measures to ensure the security
18 and confidentiality of the information received under subsection (2) of
19 this section.

20 Sec. 133. Sections 67 and 136 of this act become operative on July
21 1, 2023. Sections 66, 68, and 138 of this act become operative on October
22 1, 2023. Sections 45, 46, 47, 61, 63, 64, 65, 69, 70, 71, 79, 86, 87, 88,
23 89, 91, 92, 93, 94, 95, 96, 102, 103, 104, 105, 106, 107, 108, 109, 110,
24 111, 112, 113, 114, 115, 116, 117, 130, 131, 132, and 139 of this act
25 become operative on January 1, 2024. Sections 1, 2, 3, 4, 5, 6, 7, 8, 48,
26 51, 52, 53, 54, 55, 56, 57, 58, 59, 72, 73, 74, 75, 77, 78, 80, 81, 82,
27 83, 84, 85, 90, 97, 98, 99, 100, 120, 123, 124, 125, 126, 127, 128, 129,
28 and 137 of this act become operative three calendar months after the
29 adjournment of this legislative session. The other sections of this act
30 become operative on their effective date.

31 Sec. 134. If any section in this act or any part of any section is

1 declared invalid or unconstitutional, the declaration shall not affect
2 the validity or constitutionality of the remaining portions.

3 Sec. 135. Original sections 13-2602, 13-2603, 13-2604, 13-2605,
4 13-2609, 13-2610, 13-2611, 13-2612, 13-2706, 13-3102, 13-3103, 13-3104,
5 13-3108, 13-3109, 39-2205, 39-2209, 39-2211, 39-2212, 39-2213, 39-2216,
6 39-2222, 39-2223, 39-2703, 39-2704, and 77-2701.02, Reissue Revised
7 Statutes of Nebraska, and sections 39-2224, 77-1344, 77-1347, 77-2015,
8 77-27,132, 77-6818, 81-1229, 82-334, and 82-335, Revised Statutes
9 Cumulative Supplement, 2022, are repealed.

10 Sec. 136. Original section 77-2704.15, Revised Statutes Cumulative
11 Supplement, 2022, is repealed.

12 Sec. 137. Original sections 77-1701, 77-1818, 77-1824, 77-1838,
13 77-2902, 77-2903, 77-2904, 77-2905, 77-2910, 77-2912, 77-5803, 77-5806,
14 and 77-5808, Reissue Revised Statutes of Nebraska, and sections 77-908,
15 77-1403, 77-1631, 77-1633, 77-1802, 77-1837, 77-2715.07, 77-2716,
16 77-2717, 77-2734.03, 77-27,187.02, 77-27,188, 77-3806, 77-6702,
17 81-12,182, 85-2601, 85-2602, 85-2603, and 85-2604, Revised Statutes
18 Cumulative Supplement, 2022, are repealed.

19 Sec. 138. Original sections 77-2704.12 and 77-2704.36, Revised
20 Statutes Cumulative Supplement, 2022, are repealed.

21 Sec. 139. Original sections 77-3513, 77-3522, 77-4001, 77-4002,
22 77-4007, 77-4008, 85-1801, 85-1805, 85-1811, and 85-1814, Reissue Revised
23 Statutes of Nebraska, and sections 68-1201, 72-1239.01, 77-3,110,
24 77-2701, 77-2701.04, 77-2701.41, 77-2711, 77-2713, 77-27,223, 77-3506,
25 77-3512, 85-1802, 85-1804, 85-1806, 85-1807, 85-1808, 85-1809, 85-1810,
26 85-1812, 85-1813, 85-1815, 85-1816, 85-1817, 85-2802, 85-2803, and
27 85-2804, Revised Statutes Cumulative Supplement, 2022, are repealed.

28 Sec. 140. Since an emergency exists, this act takes effect when
29 passed and approved according to law.

30 2. On page 1, strike beginning with "revenue" in line 1 through line
31 5 and insert "revenue and taxation; to amend sections 13-2602, 13-2603,

1 13-2604, 13-2605, 13-2609, 13-2610, 13-2611, 13-2612, 13-2706, 13-3102,
2 13-3103, 13-3104, 13-3108, 13-3109, 39-2205, 39-2209, 39-2211, 39-2212,
3 39-2213, 39-2216, 39-2222, 39-2223, 39-2703, 39-2704, 77-1701, 77-1818,
4 77-1824, 77-1838, 77-2701.02, 77-2902, 77-2903, 77-2904, 77-2905,
5 77-2910, 77-2912, 77-3513, 77-3522, 77-4001, 77-4002, 77-4007, 77-4008,
6 77-5803, 77-5806, 77-5808, 85-1801, 85-1805, 85-1811, and 85-1814,
7 Reissue Revised Statutes of Nebraska, and sections 39-2224, 68-1201,
8 72-1239.01, 77-3,110, 77-908, 77-1344, 77-1347, 77-1403, 77-1631,
9 77-1633, 77-1802, 77-1837, 77-2015, 77-2701, 77-2701.04, 77-2701.41,
10 77-2704.12, 77-2704.15, 77-2704.36, 77-2711, 77-2713, 77-2715.07,
11 77-2716, 77-2717, 77-2734.03, 77-27,132, 77-27,187.02, 77-27,188,
12 77-27,223, 77-3506, 77-3512, 77-3806, 77-6702, 77-6818, 81-1229,
13 81-12,182, 82-334, 82-335, 85-1802, 85-1804, 85-1806, 85-1807, 85-1808,
14 85-1809, 85-1810, 85-1812, 85-1813, 85-1815, 85-1816, 85-1817, 85-2601,
15 85-2602, 85-2603, 85-2604, 85-2802, 85-2803, and 85-2804, Revised
16 Statutes Cumulative Supplement, 2022; to adopt the Nebraska Biodiesel Tax
17 Credit Act and the Good Life Transformational Projects Act; to change
18 provisions relating to the Convention Center Facility Financing
19 Assistance Act, the Civic and Community Center Financing Act, and the
20 Sports Arena Facility Financing Assistance Act; to authorize issuance of
21 highway bonds under the Nebraska Highway Bond Act; to change provisions
22 relating to the Build Nebraska Act, the use of certain funds,
23 agricultural or horticultural land receiving special valuation, the
24 achieving a better life experience program, the Property Tax Request Act,
25 enforcement of delinquent taxes on real property, reports on inheritance
26 taxes, and sales and use tax provisions relating to purchasing agents and
27 exemptions for nonprofit organizations and for purchases by the state,
28 schools, and governmental units; to provide a sales and use tax exemption
29 for baling wire and twine as prescribed; to provide an income tax
30 deduction to retired firefighters for health insurance premiums; to
31 change provisions relating to distribution of certain sales and use tax

1 revenue, the Nebraska Advantage Rural Development Act, the Nebraska Job
2 Creation and Mainstreet Revitalization Act, and homestead exemptions; to
3 impose a tax on electronic nicotine delivery systems; to change
4 provisions relating to the Nebraska Advantage Research and Development
5 Act, the Nebraska Property Tax Incentive Act, and the Imagine Nebraska
6 Act; to change and transfer provisions relating to the Nebraska
7 educational savings plan trust; to create a fund; to change provisions
8 relating to a workforce housing grant program, the Nebraska
9 Transformational Projects Act, and a grant program of the Nebraska Arts
10 Council; to rename the Law Enforcement Education Act and change
11 provisions therein; to change provisions of the Meadowlark Act; to
12 harmonize provisions; to provide severability; to provide operative
13 dates; to repeal the original sections; and to declare an emergency."