

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1085

Introduced by Harr, 8; Ashford, 20.

Read first time January 18, 2012

Committee: Revenue

A BILL

1 FOR AN ACT relating to tourism; to adopt the Tourism Development Act;

2 and to provide an operative date.

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

1 Section 1. Sections 1 to 5 of this act shall be known and
2 may be cited as the Tourism Development Act.

3 Sec. 2. The Legislature finds and declares that because
4 tourism is the third-largest industry in the State of Nebraska, it is
5 the policy of this state and the intent of the Tourism Development
6 Act to utilize Nebraska's tax structure in order to encourage new
7 statewide tourism as well as to develop and redevelop areas of a city
8 of the metropolitan class that surround convention centers and sports
9 arenas.

10 Sec. 3. For purposes of the Tourism Development Act:

11 (1) Associated hotel means any publicly or privately
12 owned facility in which the public may, for a consideration, obtain
13 sleeping accommodations that is located within four hundred fifty
14 yards of an eligible facility as defined in subdivision (3)(a) or (b)
15 of this section, measured from the eligible facility but not from any
16 parking facility or other structure. Associated hotel includes only
17 those hotels that have commenced collecting sales tax during the
18 period of time beginning on or after January 1, 2013, and ending
19 December 31, 2014;

20 (2) Convention and meeting center facility means a
21 temperature-controlled building and personal property primarily used
22 as a convention and meeting center, including an auditorium, an
23 exhibition hall, a facility for onsite food preparation and serving,
24 an onsite, directly connected parking facility for the use of the
25 convention and meeting center facility, and an onsite administrative

1 office of the convention and meeting center facility;

2 (3) Eligible facility means any of the following that is
3 located within a city of the metropolitan class: (a) A publicly owned
4 convention and meeting center facility approved for state assistance
5 under the Convention Center Facility Financing Assistance Act on or
6 before June 1, 2007; (b) a publicly owned sports arena facility
7 attached to such convention and meeting center facility; or (c) a
8 publicly or privately owned convention and meeting center facility or
9 publicly or privately owned sports arena facility constructed after
10 June 1, 2007;

11 (4) Nearby retailer means a retailer as defined in
12 section 77-2701.32 that is located within six hundred yards of an
13 eligible facility, measured from the facility but not from any
14 parking facility or other structure. For an eligible facility as
15 defined in subdivision (3)(a) or (b) of this section, nearby retailer
16 includes only those retailers that have commenced collecting sales
17 tax during the period of time beginning on or after January 1, 2013,
18 and ending December 31, 2014. For an eligible facility as defined in
19 subdivision (3)(c) of this section, nearby retailer includes only
20 those retailers that have commenced collecting sales tax during the
21 period of time beginning twelve months prior to occupancy of the
22 eligible facility and ending twelve months after the occupancy of the
23 eligible facility. Nearby retailer includes a subsequent owner of a
24 nearby retailer operating at the same location but does not include a
25 retailer doing business at any hotel; and

1 (5) Sports arena facility means any enclosed temperature-
2 controlled building primarily used for competitive sports, including
3 arenas, dressing and locker facilities, concession areas, parking
4 facilities, and onsite administrative offices connected with
5 operating the facilities.

6 Sec. 4. (1) The state sales tax revenue collected by a
7 nearby retailer shall be reported on informational returns developed
8 by the Department of Revenue and provided to any such retailer by the
9 eligible facility. The informational returns shall be submitted to
10 the department by the retailer by the twentieth day of the month
11 following the month the sales taxes are collected. The Tax
12 Commissioner shall use the data from the informational returns and
13 sales tax returns of associated hotels, if applicable, to determine
14 the amount of state sales tax revenue.

15 (2) Upon the determination by the Tax Commissioner under
16 subsection (1) of this section, the State Treasurer shall transfer
17 the amount of state sales tax revenue collected by nearby retailers
18 and associated hotels, if applicable, to the Tourism Development
19 Fund, which is hereby created. Any money in the fund available for
20 investment shall be invested by the state investment officer pursuant
21 to the Nebraska Capital Expansion Act and the Nebraska State Funds
22 Investment Act.

23 (3) The Legislature shall appropriate from the fund to
24 any city of the metropolitan class fifty percent of the state sales
25 tax revenue collected by nearby retailers and associated hotels, if

1 applicable, that are located within such city. Such appropriation
2 shall be used to encourage tourism in the city, with a preference to
3 its use within a six-hundred-yard radius of the applicable eligible
4 facility in such city. The remaining fifty percent of the state sales
5 tax revenue shall be appropriated by the Legislature to the Travel
6 and Tourism Division of the Department of Economic Development.

7 (4) The appropriations under this section shall continue
8 for the life of any bonds issued to finance the construction of the
9 eligible facility. If no such bonds are issued, the appropriations
10 shall continue for no more than thirty years.

11 Sec. 5. Any city of the metropolitan class that has
12 applied for and received a grant of assistance under the Civic and
13 Community Center Financing Act may not receive an appropriation of
14 state sales tax revenue under the Tourism Development Act.

15 Sec. 6. This act becomes operative on January 1, 2013.