

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB489

Chairperson: Senator Justin Wayne

Committee: Urban Affairs

Date of Hearing: February 21, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

In a December 20th report on Tax Increment Financing issued by Charlie Janssen, the Nebraska Auditor of Public Accounts, in the Overall Summary, the report states,

The report states, "To start, certain language in the current Community Development Law is so broad and generic in nature that it undermines significantly any attempt to place definite parameters around the use of TIF. As noted in this letter, for instance, the lengthy definition for "redevelopment project found at Neb Rev Stat 18-2103 (12), which describes the type of "work or undertaking" upon which TIF monies may be expended, concludes with the sweeping phrase "or other improvements in accordance with the redevelopment plan."

LB 489 eliminates that language in the Neb Rev Stat 18-2103 (12) that was identified in a state audit as language that allows for "virtually anything to be included in a redevelopment plan may qualify for TIF revenues."

LB 489 intends to restrict the uses of TIF to the purposes of rehabilitating, acquiring and redeveloping blighted **and** substandard land as they are used in the Nebraska Constitution Article VIII-12.

Principal Introducer: _____

Senator Mike Groene