

AMENDMENTS TO LB707

Introduced by von Gillern, 4.

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

3 **Section 1.** Section 77-2701.02, Revised Statutes Cumulative
4 Supplement, 2024, is amended to read:

5 77-2701.02 Pursuant to section 77-2715.01:

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

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

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

14 (4) Commencing on the start of the first calendar quarter after July
15 20, 2002, and until July 1, 2023, the rate of the sales tax levied
16 pursuant to section 77-2703 shall be five and one-half percent;

17 (5) Commencing July 1, 2023, and until July 1, 2024, the rate of the
18 sales tax levied pursuant to section 77-2703 shall be five and one-half
19 percent, except that such rate shall be two and three-quarters percent on
20 transactions occurring within a good life district as defined in section
21 77-4403; ~~and~~

22 (6) Commencing July 1, 2024, and until July 1, 2025, the rate of the
23 sales tax levied pursuant to section 77-2703 shall be five and one-half
24 percent, except that such rate shall be two and three-quarters percent on
25 transactions that occur within that portion of a good life district
26 established pursuant to the Good Life Transformational Projects Act which
27 is located within the corporate limits of a city or village; and -

1 (7) Commencing July 1, 2025, the rate of the sales tax levied
2 pursuant to section 77-2703 shall be five and one-half percent.

3 **Sec. 2.** Section 77-4401, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 77-4401 Sections 77-4401 to 77-4407 and section 7 of this act shall
6 be known and may be cited as the Good Life Transformational Projects Act.

7 **Sec. 3.** Section 77-4403, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 77-4403 For purposes of the Good Life Transformational Projects Act:

10 (1) Additional good life district retailer means (a) a retailer that
11 opens a new location in a good life district, has less than one hundred
12 thousand square feet of retail space at the time the good life district
13 was established for any single location within the good life district or
14 within forty miles of the district with no location being equal to or
15 greater than one hundred thousand square feet, and maintains the new
16 location within the good life district plus all locations existing at the
17 time the good life district was established within the good life district
18 or within forty miles of the district at less than one hundred thousand
19 square feet for ten years from the date when the additional good life
20 district retailer first located within the good life district and (b) any
21 related person. If the number of locations within the good life district
22 or within forty miles of the district falls below the number required to
23 be an additional good life district retailer but is at least equal to the
24 number that existed at the time the good life district was established,
25 such retailer shall qualify as a relocated good life district retailer
26 subject to the restrictions and requirements of subdivision (14) of this
27 section;

28 (2) Controlling property rights means, with respect to real estate
29 in a good life district, the authority of a good life district applicant
30 or project area applicant to manage and control the development of real
31 estate, including through direct ownership or through leasehold rights,

1 joint ventures, purchase contracts, or any other similar arrangement.
2 Whenever such property rights do not include direct ownership, the good
3 life district applicant or project area applicant shall not be considered
4 to have controlling property rights unless such applicant has submitted
5 to the department a waiver and acknowledgment from the property owner
6 that (a) the owner consents to his or her property being included in the
7 good life district, (b) the owner acknowledges that the applicant or
8 city, as applicable, will have certain rights with respect to how local
9 sources of revenue from the owner's property will be spent or allocated,
10 and (c) the owner is waiving any and all rights with respect to all such
11 revenues for the duration of the good life district and that such waiver
12 will apply to all subsequent owners of the property;

13 (3) ~~(1)~~ Department means the Department of Economic Development;

14 (4) Enhanced employment area good life district retailer means (a) a
15 retailer located within an enhanced employment area designated for a city
16 of the metropolitan class under the Community Development Law and within
17 a good life district who has opted to be a good life district retailer
18 and (b) any related person. A tenant of a good life district applicant
19 who has a development agreement with a city of the metropolitan class for
20 occupation tax in an enhanced employment area within a good life district
21 shall be deemed to have opted to be a good life district retailer;

22 (5) ~~(2)~~ Good life district means a district established pursuant to
23 section 77-4405; and

24 (6) Good life district applicant means (a) the person who applies
25 for the applicable good life district pursuant to section 77-4404 and (b)
26 any related person;

27 (7) Good life district retailer means (a) a retailer with taxable
28 sales that is located in a good life district, excluding any retailer
29 that moves into a good life district and is not a new business and (b)
30 any related person;

31 (8)(a) New business means (i) a new-to-market sales tax collecting

1 business that was not legally licensed and located within the good life
2 district or within forty miles of the good life district prior to the
3 creation of such district and (ii) any related person.

4 (b) New business does not include the residential portion of any
5 business.

6 (c)(i) New business does not include the location of any entity that
7 for purposes of the Nebraska Revenue Act of 1967 is either (A) not
8 subject to sales and use taxes or (B) not subject to either an income tax
9 or a franchise tax under sections 77-3801 to 77-3807, except that a
10 location owned by a political subdivision shall be allowed to the extent
11 that the political subdivision is liable for sales taxes pursuant to
12 subsection (12) of section 77-4405.

13 (ii) For purposes of this subdivision (c):

14 (A) Political subdivision includes any public corporation created
15 for the benefit of a political subdivision and any group of political
16 subdivisions forming a joint public agency, organized by interlocal
17 agreement, or utilizing any other method of joint action; and

18 (B) Any partnership that would be liable for an income tax if it
19 were to make an election under subsection (6) of section 77-2727 is
20 subject to an income tax.

21 (d) The following transactions or activities shall not be considered
22 to have created a new business:

23 (i) The acquisition of a business that (A) does not qualify as a new
24 business, (B) is continued by the purchaser, and (C) was operated within
25 the good life district during the three hundred sixty-six days prior to
26 the date of acquisition;

27 (ii) The acquisition of a business that (A) does not qualify as a
28 new business, (B) is continued by the purchaser, and (C) was operated
29 within this state and within forty miles of the good life district during
30 the three hundred sixty-six days prior to the date of acquisition;

31 (iii) The moving of a business from a location within this state and

1 within forty miles of the good life district into the good life district;
2 or

3 (iv) Any purchase or lease of property from a related person;

4 (9)(a) New development costs means development costs that:

5 (i) Are incurred as part of a project located in a good life
6 district;

7 (ii) Are related to a new business; and

8 (iii) Result in an increase in the assessed valuation of real or
9 personal property.

10 (b) The value of the new development costs for any project shall be
11 equal to the construction and improvement costs of real property and the
12 acquisition costs of personal property that are part of such project,
13 including:

14 (i) Improvements to real property located in the good life district;

15 (ii) New construction of and additions to existing buildings;

16 (iii) Construction and acquisition of infrastructure improvements in
17 and related to the good life district; and

18 (iv) Acquisition of personal property located and used in the good
19 life district.

20 (c) The following transactions or activities shall not be considered
21 new development costs:

22 (i) The acquisition of a business that (A) does not qualify as a new
23 business, (B) is continued by the purchaser, and (C) was operated within
24 the good life district during the three hundred sixty-six days prior to
25 the date of acquisition;

26 (ii) The acquisition of a business that (A) does not qualify as a
27 new business, (B) is continued by the purchaser, and (C) was operated
28 within this state and within forty miles of the good life district during
29 the three hundred sixty-six days prior to the date of acquisition;

30 (iii) The moving of a business from a location within this state and
31 within forty miles of the good life district into the good life district;

1 or

2 (iv) Any purchase or lease of property from a related person;

3 (10) Project area means an area designated as a project within a
4 good life district pursuant to subsection (14) of section 77-4405;

5 (11) Project area applicant means (a) the person who files an
6 application for a project area designation pursuant to subsection (14) of
7 section 77-4405 and (b) any related person;

8 (12) ~~(3)~~ Qualified inland port district means an inland port
9 district created pursuant to the Municipal Inland Port Authority Act that
10 is located within a city of the metropolitan class; -

11 (13) Related persons means any corporations, partnerships, limited
12 liability companies, or joint ventures which are or would otherwise be
13 members of the same unitary group, if incorporated, or any persons who
14 are considered to be related persons under either section 267(b) and (c)
15 or section 707(b) of the Internal Revenue Code of 1986, as amended;

16 (14) Relocated good life district retailer means (a) a retailer that
17 relocates to a good life district and that has less than one hundred
18 thousand square feet of retail space at the time the good life district
19 was established for any single location that is outside of the good life
20 district but located within forty miles of the good life district with no
21 location being equal to or greater than one hundred thousand square feet
22 and (b) any related person. After ten years from the date when the
23 relocated good life district retailer first located within the good life
24 district or exceeded one hundred thousand square feet of retail space,
25 such retailer shall no longer qualify as a relocated good life district
26 retailer; and

27 (15) Viable development means the project area meets all of the
28 requirements of the good life district where the project is located.

29 **Sec. 4.** Section 77-4404, Revised Statutes Cumulative Supplement,
30 2024, is amended to read:

31 77-4404 (1) Until December 31, 2024, any person may apply to the

1 department to create a good life district. All applications shall be in
2 writing and shall contain:

3 (a) A description of the proposed project to be undertaken within
4 the good life district, including a description of any existing
5 development, an estimate of the total new development costs for the
6 project, and an estimate of the number of new jobs to be created as a
7 result of the project;

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

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

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

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

17 (i) A statement of how the jobs and taxes obtained from the project
18 will contribute significantly to the economic development of the state
19 and region;

20 (ii) Visitation expectations and a plan describing how the number of
21 visitors to the good life district will be tracked and reported on an
22 annual basis;

23 (iii) Any unique qualities of the project;

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

26 (v) Project accountability, measured according to best industry
27 practices;

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

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

1 (2) Upon receiving an application, the department shall review the
2 application and notify the good life district applicant of any additional
3 information needed for a proper evaluation of the application.

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

8 (4) No more than five good life districts may be created statewide.
9 No more than one good life district may be created in any county with a
10 population of five hundred thousand inhabitants or more, excluding any
11 good life district created within a qualified inland port district.

12 **Sec. 5.** Section 77-4405, Revised Statutes Cumulative Supplement,
13 2024, is amended to read:

14 77-4405 (1) If the department finds that creation of the good life
15 district would not exceed the limits prescribed in subsection (4) of
16 section 77-4404 and the project described in the application meets the
17 eligibility requirements of this section, the application shall be
18 approved.

19 (2) A project is eligible if:

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

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

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

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

29 (iv) One hundred million dollars if the project will be located in a
30 city of the first class, city of the second class, village, or sanitary
31 and improvement district within a county with a population of less than

1 one hundred thousand inhabitants;

2 (b) The good life district applicant demonstrates that the project
3 will directly or indirectly result in the creation of:

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

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

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

11 (iv) Fifty new jobs if the project will be located in a city of the
12 first class, city of the second class, village, or sanitary and
13 improvement district within a county with a population of less than one
14 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 good life
17 district applicant demonstrates that, upon completion of the project, at
18 least twenty percent of sales at the project will be made to persons
19 residing outside the State of Nebraska or the project will generate a
20 minimum of six hundred thousand visitors per year who reside outside the
21 State of Nebraska and the project will attract new-to-market retail to
22 the state and will generate a minimum of three million visitors per year
23 in total. Students from another state who attend a Nebraska public or
24 private university shall not be counted as out-of-state residents for
25 purposes of this subdivision; or

26 (ii) For a project that will be located in a county with a
27 population of less than one hundred thousand inhabitants, the good life
28 district applicant demonstrates that, upon completion of the project, at
29 least twenty percent of sales at the project will be made to persons
30 residing outside the State of Nebraska. Students from another state who
31 attend a Nebraska public or private university shall not be counted as

1 out-of-state residents for purposes of this subdivision.

2 (3) The good life district applicant must certify that any
3 anticipated diversion of state sales tax revenue will be offset or
4 exceeded by sales tax paid on anticipated development costs, including
5 construction to real property, during the same period.

6 (4) Beginning on the effective date of this act, before an
7 application may be approved, the good life district applicant shall
8 submit a report to the department and to any city or village that will
9 include the good life district. Such report shall:

10 (a) Provide evidence satisfactory to the department and such city or
11 village that such applicant has sufficient financing for the project and
12 the project is financially viable;

13 (b) Provide evidence that such applicant has land ownership within
14 the proposed boundaries of the good life district or a contract giving
15 the applicant an option to purchase land within the proposed boundaries
16 of the good life district within one hundred eighty days of contract
17 signing; and

18 (c) Provide information regarding any ownership interest held by
19 such applicant in any existing retail business within the proposed good
20 life district.

21 (5) ~~(4)~~ A project is not eligible if:

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

29 (b) The project received funds pursuant to the Shovel-Ready Capital
30 Recovery and Investment Act or the Economic Recovery Act, except that
31 this subdivision shall not apply to any project located in a qualified

1 inland port district; or

2 (c) The project includes any portion of a public or private
3 university.

4 ~~(6)~~ ~~(5)~~ Approval of an application under this section shall
5 establish the good life district as that area depicted in the map
6 accompanying the application as submitted pursuant to subdivision (1)(b)
7 of section 77-4404 or, for any application approved on or after the
8 effective date of this act, the map as approved by the department. Such
9 district shall last for thirty years and shall not exceed two thousand
10 acres in size if in a city of the metropolitan class, three thousand
11 acres in size if in any other class of city or village, or, for any good
12 life district created within a qualified inland port district, the size
13 of the qualified inland port district. The good life district and any
14 additions made to such district pursuant to this section shall be
15 contiguous.

16 ~~(7)(a)~~ ~~(6)(a)~~ Prior to July 1, 2024, any transactions occurring
17 within a good life district shall be subject to a reduced state sales tax
18 rate as provided in subdivision (5) of section 77-2701.02.

19 (b) On and after July 1, 2024, and until July 1, 2025, any
20 transactions occurring within a good life district shall be subject to a
21 reduced state sales tax rate as provided in subdivision (6) of section
22 77-2701.02.

23 (c) On and after July 1, 2025, any transactions, excluding sales of
24 aircraft, all-terrain vehicles, barges, motor vehicles, motorboats,
25 railroad rolling stock, semitrailers, and trailers, by a good life
26 district applicant or an enhanced employment area good life district
27 retailer that physically occur within a good life district and within the
28 corporate limits of a city of the metropolitan class shall be subject to
29 a state sales tax rate that is fifty percent of the state sales tax rate
30 provided in section 77-2701.02.

31 (d) On and after July 1, 2025, a good life district applicant or

1 good life district retailer shall be eligible for a state refund of fifty
2 percent of the state sales tax paid on new development costs for a new
3 business.

4 (e) After the amount of sales tax collected in the portion of the
5 good life district located within the boundaries of a city of the
6 metropolitan class by a good life district applicant or good life
7 district retailer that is not a new business reaches an aggregate total
8 of five million dollars per year, the state shall offset from the city's
9 local sales tax remittance, pursuant to the Local Option Revenue Act, any
10 additional amount of lost state sales tax pursuant to subdivision (c) of
11 this subsection, and such amount shall be credited to the General Fund,
12 except that relocated good life district retailers or additional good
13 life district retailers shall be allowed to exceed the five-million-
14 dollar cap to the extent there are, as calculated by the Department of
15 Revenue, taxes received by the state from new businesses net of any
16 allocation or reduction within the good life district in the amount of
17 five million dollars plus the excess allocation or reduction over five
18 million dollars. The city may take funds collected from the enhanced
19 employment area occupation tax to offset the obligation. The Tax
20 Commissioner shall inform the city of the amount of the monthly offset.

21 (8) ~~(7)~~ After establishment of a good life district pursuant to this
22 section, a good life district applicant or the city or village in which
23 all or a portion of the good life district is located may request an
24 adjustment to may adjust the boundaries of the district by filing an
25 amended map with the department and updates or supplements to the
26 application materials originally submitted by the good life district
27 applicant to demonstrate the eligibility criteria in subsection (2) of
28 this section will be met after the boundaries are adjusted. The
29 department may shall approve the new boundaries if on the following
30 conditions are met:

31 (a) The department determines that the eligibility criteria in

1 subsection (2) of this section will continue to be met after the proposed
2 boundary adjustment based on the materials submitted by the party
3 requesting the boundary adjustment; ~~good life district applicant; and~~

4 (b) The adjustment is mutually agreed to by the good life district
5 applicant and the city or village in which all or a portion of the good
6 life district is located;

7 (c) For any property being added to the district, the party
8 requesting the boundary adjustment must own such property or must submit
9 to the department a waiver and acknowledgment from the property owner
10 that (i) the owner consents to his or her property being included in the
11 good life district, (ii) the owner acknowledges that the applicant or
12 city, as applicable, will have certain rights with respect to how local
13 sources of revenue from the owner's property will be spent or allocated,
14 and (iii) the owner is waiving any and all rights with respect to all
15 such revenues for the duration of the good life district and that such
16 waiver will apply to all subsequent owners of the property; and

17 (d) ~~(b)~~ For any area being removed from the district:

18 (i) The department shall solicit and receive from the city or
19 village in which all or a portion of the good life district is located
20 confirmation that no area being removed is attributable to local sources
21 of revenue which have been pledged for payment of bonds issued pursuant
22 to the Good Life District Economic Development Act. Confirmation may
23 include resolutions, meeting minutes, or other official measures adopted
24 or taken by the city council or village board of trustees; and

25 (ii) Either the department has received written consent from the
26 owners of real estate proposed to be removed from the good life district,
27 or a hearing is held by the department in the manner described in this
28 subdivision and the department finds that the removal of the affected
29 property is in the best interests of the state and that the removal is
30 consistent with the goals and purposes of the approved application for
31 the good life district. In determining whether removal of the affected

1 property is consistent with the goals and purposes of the approved
2 application for the good life district, the department may consider any
3 formal action taken by the city council or village board of trustees.
4 Proof of such formal action may include resolutions, meeting minutes, or
5 other official measures adopted or taken. Such hearing must be held at
6 least ninety days after delivering written notice via certified mail to
7 the owners of record for the affected real estate proposed to be removed
8 from the good life district. The hearing must be open to the public and
9 for the stated purpose of hearing testimony regarding the proposed
10 removal of property from the good life district. Attendees must be given
11 the opportunity to speak and submit documentary evidence at, prior to, or
12 contemporaneously with such hearing for the department to consider in
13 making its findings; and -

14 (iii) The department shall not remove an approved project area from
15 a good life district.

16 (9) (8) After establishment of a good life district pursuant to this
17 section, but within twenty-four ~~twelve~~ months after the approval of the
18 original application or after any modification is made to the boundaries
19 of a good life district pursuant to subsection (8) of this section, a
20 city or village in which any part of the applicable good life district is
21 located may file a supplemental request to the department to increase the
22 size of the good life district by up to one thousand contiguous acres.
23 Such supplemental request shall be accompanied by such materials and
24 certifications necessary to demonstrate that such increase would not
25 negatively impact the criteria that were necessary for the original
26 establishment of such good life district. The one thousand acres allowed
27 under this subsection shall be in addition to the acreage limits provided
28 in subsection (6) of this section.

29 (10) (9) After establishment of a good life district pursuant to
30 this section and after any modification is made to the boundaries of a
31 good life district pursuant to this section, the department shall

1 transmit to any city or village which includes such good life district
2 within its boundaries or within its extraterritorial zoning jurisdiction
3 (a) all information held by the department related to the application and
4 approval of the application, (b) all documentation which describes the
5 property included within the good life district, and (c) all
6 documentation transmitted to the applicant for such good life district
7 with approval of the application and establishment of the good life
8 district. Such city or village shall be subject to the same
9 confidentiality restrictions as provided in subsection (3) of section
10 77-4404, except that all such documents, plans, and specifications
11 included in the application which the city or village determine define or
12 describe the project may be provided upon written request of any person
13 who owns property in the applicable good life district. The department
14 shall also transmit a copy of the map of the good life district, a list
15 of all known good life district retailers and enhanced employment area
16 good life district retailers, and any ownership updates to the Department
17 of Revenue.

18 (11) ~~(10)~~ After establishment of a good life district that exceeds
19 one thousand acres in size, the good life district applicant may apply to
20 the city or village in which all or a portion of the good life district
21 is located ~~department~~ to establish development and design standards for
22 the good life district. Such standards may include, but are not limited
23 to, standards for architectural design, landscape design, construction
24 materials, and sustainability, but may not require property owners to
25 utilize specific contractors, professionals, suppliers, or service
26 providers. The city or village ~~department~~ may approve the standards after
27 holding a hearing after one hundred eighty days' notice to all property
28 owners in the district if the city or village ~~department~~ finds that the
29 standards will ensure a comprehensive and cohesive character and
30 aesthetic for development in the good life district, and that the
31 standards will further the purposes of the Good Life Transformational

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

13 (12) If the good life district applicant for an approved good life
14 district is a political subdivision, such political subdivision shall not
15 be exempt from sales tax as provided in section 77-2704.15 on building
16 material purchases for a new business that will or is intended to offer
17 taxable sales in the good life district. For purposes of this subsection,
18 political subdivision includes any public corporation created for the
19 benefit of a political subdivision and any group of political
20 subdivisions forming a joint public agency, organized by interlocal
21 agreement, or utilizing any other method of joint action.

22 (13) After establishment of a good life district pursuant to this
23 section, the good life district applicant and any other recipient of
24 allocated sales taxes, as defined in section 77-4410, or reduced sales
25 taxes shall submit an annual report to the department and to any city or
26 village that includes any portion of the good life district. Such report
27 shall be submitted by December 31 of each year that the good life
28 district is in existence. Such report shall include the same information
29 required under subsection (4) of this section.

30 (14)(a) After establishment of a good life district that is located
31 in a city of the first class, city of the second class, or village within

1 a county with a population of one hundred thousand inhabitants or more
2 and establishment of a good life district economic development program in
3 such city or village, up to six project areas may be established in the
4 good life district as provided in this subsection.

5 (b) Any good life district applicant who does not have controlling
6 property rights over the entirety of the property in the good life
7 district may submit an application to the department to designate a
8 portion of the good life district as a project area. The application
9 shall include (i) evidence of the applicant's controlling property rights
10 for the proposed project area within the good life district, (ii) a map
11 of the proposed project area, (iii) a description of the development to
12 be pursued within the proposed project area, and (iv) a description of
13 how the project area is a viable development. A good life district
14 applicant may amend the project area application any time after it is
15 submitted. Any amendment must include an amended map of the proposed
16 project area. An application for a project area shall be subject to the
17 same confidentiality restrictions as provided in subsection (3) of
18 section 77-4404.

19 (c) The department may only approve an application for a project
20 area if, based on the evidence submitted to and considered by the
21 department, the department concludes that a viable development is
22 included in the project area application. The department shall provide
23 notice of its decision to the project area applicant and the city or
24 village that includes any portion of the applicable good life district.

25 (d) Approval of the project area shall establish the project area as
26 that area depicted in the map accompanying the application. An approved
27 project area shall last for the duration of the underlying good life
28 district unless the project area applicant requests termination of the
29 project area or assigns the project area to another project area
30 applicant.

31 (e) Upon approval of a project area, the project area applicant, the

1 department, and the city or village that includes any part of the
2 applicable good life district shall enter into a memorandum of
3 understanding as described in subsection (8) of section 77-4412. Such
4 memorandum of understanding shall require that the local sources of
5 revenue, as defined in section 77-4410, derived from within a project
6 area shall be used for eligible costs incurred within or related to the
7 project area, including payment of debt service for bonds issued pursuant
8 to the Good Life District Economic Development Act, and to pay other
9 costs of the city's or village's good life district economic development
10 program created under such act.

11 (f) A good life district applicant may submit an application for a
12 project area under this subsection within ninety days after the effective
13 date of this act. Subject to subdivision (g) of this subsection, any
14 other person or entity may submit an application for a project area
15 beginning ninety days after the effective date of this act. Such other
16 person or entity shall follow the same application process as described
17 in this subsection for a good life district applicant. Project areas
18 shall not overlap.

19 (g) The department shall not approve any other person's or entity's
20 project area application until one of the following occurs:

21 (i) The department approves the good life district applicant's
22 project area application and the applicant, department, and city or
23 village enter into a memorandum of understanding pursuant to subsection
24 (8) of section 77-4412; or

25 (ii) The good life district applicant fails to submit an application
26 within ninety days after the effective date of this act.

27 (h) The department shall adopt and promulgate rules and regulations
28 or publish guidance regarding the process and timeline for approving
29 project areas. Any such rules and regulations or published guidance shall
30 further the state's goal of maximizing transformative development
31 outcomes in a timely way.

1 (i) An approved project area shall not be considered a separate good
2 life district for purposes of subsection (4) of section 77-4404.

3 (j) After the establishment of a project area, the project area
4 applicant may apply to expand its project area with approval from the
5 department. The department may only approve an expansion if the project
6 area applicant has controlling property rights with respect to property
7 proposed to be added to the project area and submits evidence of such
8 controlling property rights to the department and the city or village in
9 which the good life district is located.

10 (k) The department may remove property from a project area if the
11 project area applicant no longer has controlling property rights with
12 respect to such property.

13 (l) The department may adopt and promulgate rules and regulations
14 governing the expansion of and removal of property from project areas.

15 (m) After the establishment of a project area, the project area
16 applicant shall submit an annual report to the department and to any city
17 or village that includes any portion of the good life district. Such
18 report shall be submitted by December 31 of each year that the good life
19 district is in existence. Such report shall include the same information
20 required under subsection (4) of this section.

21 (15) ~~(11)~~ Demonstration of meeting the required new development
22 costs for purposes of subdivision (2)(a) of this section may be
23 established by evidence submitted by the good life district applicant,
24 the city or village where the good life district is located, or any other
25 person that which submits satisfactory evidence to the department.

26 **Sec. 6.** Section 77-4406, Revised Statutes Cumulative Supplement,
27 2024, is amended to read:

28 77-4406 (1) The department shall terminate a good life district
29 established pursuant to section 77-4405 if:

30 (a) Commitments for ten percent of the investment threshold required
31 under subdivision (2)(a) of section 77-4405 have not been made within

1 three years after establishment of such district;

2 (b) Commitments for fifty percent of the investment threshold
3 required under subdivision (2)(a) of section 77-4405 have not been made
4 within seven years after establishment of such district; ~~or~~

5 (c) Commitments for seventy-five percent of the investment threshold
6 required under subdivision (2)(a) of section 77-4405 have not been made
7 within ten years after establishment of such district; or -

8 (d) The city or village in which all or a portion of the good life
9 district is located has not established a good life district economic
10 development program as provided in section 77-4412 within three years
11 after establishment of such district, except that this subdivision shall
12 not apply if the city or village is the good life district applicant.

13 (2) The department shall measure the amount of commitments for such
14 investment from evidence submitted by the good life district applicant,
15 the city or village in which all or a portion of the district is located,
16 or any other source determined appropriate by the department. The
17 department shall accept evidence of such commitments from any source so
18 long as the evidence relates to any portion of the project described in
19 the application, as amended or supplemented. Certification by the city or
20 village in which all or a portion of the good life district is located
21 that the evidence submitted represents commitments for investment in the
22 project described in the application shall be conclusive and accepted by
23 the department, and such commitments shall be counted toward the
24 applicable threshold. Any such certification by a city or village shall
25 not limit or restrict the department's acceptance of evidence of
26 commitments from the good life district applicant or any other source.

27 (3) The department may terminate a good life district prior to the
28 establishment of a good life district economic development program
29 pursuant to section 77-4412 upon the request of the good life district
30 applicant or the city or village in which all or a portion of the good
31 life district is located.

1 (4)(a) Any termination of a good life district pursuant to this
2 section shall require the recapture of any unencumbered amounts remaining
3 in a good life district economic development fund established under
4 section 77-4414 for the good life district being terminated. Such amounts
5 shall be remitted to the State Treasurer for credit to the General Fund.

6 (b) The recapture required by this subsection shall not occur if the
7 failure to meet the requirements in subsection (1) of this section was
8 caused by an act of God or a national emergency.

9 **Sec. 7.** (1) The Department of Economic Development and the
10 Department of Revenue may share information, including information of a
11 confidential nature, as needed to properly administer the Good Life
12 Transformational Projects Act.

13 (2) The Department of Economic Development may adopt and promulgate
14 rules and regulations to carry out the Good Life Transformational
15 Projects Act.

16 **Sec. 8.** Section 77-4408, Revised Statutes Cumulative Supplement,
17 2024, is amended to read:

18 77-4408 Sections 77-4408 to 77-4430 and section 13 of this act shall
19 be known and may be cited as the Good Life District Economic Development
20 Act.

21 **Sec. 9.** Section 77-4410, Revised Statutes Cumulative Supplement,
22 2024, is amended to read:

23 77-4410 For purposes of the Good Life District Economic Development
24 Act, unless the context otherwise requires:

25 (1) Allocated sales taxes means state sales taxes that are allocated
26 by the Tax Commissioner to the city in which all or a portion of the good
27 life district is located pursuant to subsection (2) of section 77-4413;

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

29 (3) ~~(1)~~ City means any city of the metropolitan class, city of the
30 primary class, city of the first class, city of the second class, or
31 village, including any city operated under a home rule charter;

1 (4) Department means the Department of Economic Development;

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

3 (5) (3) Election means any general election, primary election, or
4 special election called by the city as provided by law;

5 (6) (4) Eligible costs means payment and reimbursement of (a) the
6 costs of acquisition, planning, engineering, designing, financing,
7 construction, improvement, rehabilitation, renewal, replacement, repair,
8 landscaping, irrigation, and maintenance of privately and publicly owned
9 real estate, buildings, improvements, fixtures, equipment, and other
10 physical assets within a good life district and debt service on such real
11 estate, buildings, improvements, fixtures, equipment, and other physical
12 assets, (b) the costs of construction and acquisition of publicly owned
13 infrastructure and publicly owned property rights within or related to a
14 good life district, (c) costs of and related to the public right-of-way,
15 including streets, signage, lighting, refuse services, and landscaping,
16 (d) the costs of new development, acquisition, maintenance, and
17 enhancement of technology assets, including to include hardware,
18 software, and related intellectual property, (e) if the initial exclusive
19 use of such property is in or related to the good life district program
20 area, (d) the costs of marketing, and tenant improvement allowances, and
21 tenant and customer acquisition and retention, and (f) (e) city costs
22 related to implementing, operating, and funding a good life district
23 economic development program;

24 (7) (5) Good life district means any good life district established
25 pursuant to the Good Life Transformational Projects Act;

26 (8) (6) Good life district applicant means (a) the person who
27 applied for the applicable good life district, which was approved by the
28 department Department of Economic Development pursuant to section 77-4405
29 and (b) any related person;

30 (9) (7) Good life district economic development program or program
31 means a program established pursuant to the Good Life District Economic

1 Development Act to utilize funds derived from local sources of revenue
2 for the purpose of paying eligible costs, and for paying principal of and
3 interest on bonds issued pursuant to the act;

4 (10) ~~{8}~~ Good life district program area means the area established
5 pursuant to section 77-4412 for a good life district economic development
6 program;

7 (11) Good life district retailer has the same meaning as in section
8 77-4403;

9 (12) ~~{9}~~ Governing body means the city council, board of trustees,
10 or other legislative body charged with governing the city;

11 (13) ~~{10}~~ Local sources of revenue means the sources of revenue
12 established for a good life district economic development program
13 pursuant to section 77-4413, and any revenue generated from grants,
14 donations, or state and federal funds received by the city for such good
15 life district economic development program subject to any restrictions of
16 the grantor, donor, or state or federal law; and

17 (14) Nonrevenue producing costs means eligible costs paid from the
18 good life district economic development program for (a) construction or
19 acquisition of privately owned real and personal property which is not
20 expected to generate local sources of revenue for the program through the
21 use of such property in the operation of one or more businesses located
22 in the good life district program area or (b) operating expenses or other
23 noncapital expenditures of a qualifying business which is not a
24 governmental entity;

25 (15) Project area has the same meaning as in section 77-4403;

26 (16) Project area applicant has the same meaning as in section
27 77-4403; and

28 (17) ~~{11}~~ Qualifying business means (a) any corporation, nonprofit
29 corporation, partnership, limited liability company, or sole
30 proprietorship which owns or leases property or operates its business
31 within a good life district program area, or plans to own or lease

1 property or operate its business within a good life district program area
2 and (b) any related person. ~~The good life district applicant shall be~~
3 ~~deemed a qualifying business pursuant to this subdivision.~~ Qualifying
4 business shall also include a political subdivision, a state agency, or
5 any other governmental entity which includes any portion of the good life
6 district program area within its territorial boundaries.

7 **Sec. 10.** Section 77-4412, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 77-4412 (1) Upon approval by the voters, the governing body of the
10 city may establish a good life district economic development program for
11 any area within the city which is included in a good life district
12 established pursuant to the Good Life Transformational Projects Act, and
13 the city shall appropriate the local sources of revenue established in
14 the good life district program area and pledged for such program.

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

17 (a) The boundaries of the good life district program area, which
18 shall be coterminous with the portion of the applicable good life
19 district as established pursuant to section 77-4405 which is located
20 within the city. Such boundaries of the program area may be expanded to
21 include any area annexed by the city which is also included within such
22 established good life district;

23 (b) A description of the local sources of revenue which shall be
24 established for the program pursuant to section 77-4413, and a pledge to
25 appropriate such local sources of revenue ~~revenues~~ to the program for the
26 time period during which such funds are collected;

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

31 (d) The manner in which a qualifying business will be required to

1 submit an application for assistance under the good life district
2 economic development program, including the type of information that will
3 be required from the business, the process that will be used to verify
4 the information, and the types of business information provided to the
5 city which will be kept confidential by the city, and the types of
6 agreements which will be permitted with qualifying businesses for
7 development of property within the good life district program area. No
8 additional business information shall be required from a qualifying
9 business that is the good life district applicant. The department
10 ~~Department of Economic Development~~ shall provide a copy of the
11 application, approval, and all related documentation establishing the
12 related good life district to the city upon approval by the department
13 ~~Department of Economic Development~~;

14 (e) Such restrictions on qualifying businesses, limitations on types
15 of eligible costs, and limitations on the amounts of eligible costs as
16 the city determines are in the best interests of the city and the good
17 life district economic development program. Such limitations and
18 restrictions shall include provisions intended to ensure (i) sufficient
19 infrastructure will be available to serve the program area and
20 expectations as to how such infrastructure will be constructed and
21 funded, (ii) sufficient capital investment in buildings and facilities to
22 generate enough local sources of revenue to sustain the program, and
23 (iii) substantially all of the eligible costs will be used for the
24 benefit of the program area, and (iv) not more than twenty percent of
25 disbursements from the program will be for nonrevenue producing costs;
26 and

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

31 (3) All information provided with an application for assistance

1 under any good life district economic development program to the city by
2 a qualifying business shall be kept confidential by the city to the
3 extent required by the terms of the ordinance establishing the good life
4 district economic development program. The city may approve or deny any
5 application for assistance in the discretion of the city, subject to the
6 terms of any contract or agreement with a qualifying business related to
7 such program.

8 (4) The city may enter into contracts and agreements with qualifying
9 businesses related to assistance under the good life district economic
10 development program, development of property within the applicable good
11 life district program area, use of property within the good life district
12 program area, and other agreements related to the good life district
13 economic development program or good life district program area, which
14 contracts and agreements may extend over multiple years and include such
15 undertakings and designation of responsibilities as the city determines
16 appropriate or convenient for development, use, and operation of the good
17 life district economic development program and the properties in the good
18 life district program area. The city shall not enter into a contract or
19 agreement with a qualifying business for assistance that uses local
20 sources of revenue collected from property owned by the good life
21 district applicant unless the contract or agreement is approved by the
22 good life district applicant. This subsection shall not be construed to
23 provide a city with any power it would not otherwise have by law to
24 restrict a business lawfully permitted to operate in this state from
25 locating in a good life district.

26 (5) In connection with administration of a good life district
27 economic development program, a city may engage professionals,
28 consultants, and other third parties to assist and provide such services
29 to the city as determined appropriate by the city. All costs of
30 administration of the program which are charged to the program by the
31 city shall be paid from the associated good life district economic

1 development fund prior to payment of any other eligible costs or bonds
2 which may be payable from the fund.

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

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

16 (8)(a) For any good life district that includes a project area
17 established pursuant to section 77-4405, the following provisions shall
18 apply to the portion of such project area located within the good life
19 district program area:

20 (i) Prior to disbursement of any funds from the good life district
21 economic development program to a project area applicant for eligible
22 costs in a project area, the city, the project area applicant, and the
23 department shall enter into a memorandum of understanding with respect to
24 the following matters related to development of property in the project
25 area and local sources of revenue attributable to the project area, and
26 the following provisions shall govern with respect to such matters
27 included in the memorandum of understanding from and after the date of
28 execution by all such parties:

29 (A) A trustee bank shall be identified and established for the
30 project area, and the remittance of funds by the Tax Commissioner
31 pursuant to subdivision (2)(d) of section 77-4413 that are sourced to the

1 project area shall be deposited in an account held by the trustee bank
2 and established for such project area. The Tax Commissioner shall only
3 remit funds collected from within the established project area to the
4 correlating trustee bank;

5 (B) Funds held by the trustee bank with respect to such project area
6 shall only be disbursed for payment or reimbursement of eligible costs
7 incurred on or after the date of establishment of such project area,
8 including payment of debt service for bonds issued pursuant to the Good
9 Life District Economic Development Act and to pay other costs of the
10 city's good life district economic development program. Prior to the
11 disbursement of funds, the trustee bank shall require evidence that the
12 disbursement is to pay or reimburse eligible costs incurred on or after
13 the date of establishment of the project area and shall maintain records
14 with respect to all such disbursements and provide copies to the city,
15 the department, and the project area applicant annually;

16 (C) The development and financing obligations for the project area
17 shall be addressed in the memorandum of understanding. The development
18 obligations for the project area shall include, but not be limited to,
19 roadwork, utilities, and other improvements. The financing obligations
20 shall include, but not be limited to, anticipated bond financing
21 supported by local sources of revenue, including anticipated timing and
22 phasing of the financing and development obligations; and

23 (D) An addendum between the city and the applicant shall be included
24 as part of the memorandum of understanding. In such addendum, the parties
25 shall agree to comply with the city's good life district economic
26 development program ordinances; and

27 (ii) The memorandum of understanding may include additional
28 provisions with respect to the project area and funds held by the trustee
29 bank with respect to such project area as determined appropriate by the
30 parties. Such additional provisions may include, without limitation, the
31 following:

1 (A) Creation of multiple subaccounts to be managed by the trustee
2 bank, and provisions for distribution of funds among subaccounts,
3 including a special services account to be used for management costs and
4 costs of and related to the public right-of-way, including streets,
5 signage, lighting, refuse services, and landscaping;

6 (B) Provision for specific entities to have the exclusive right to
7 request disbursements from specified subaccounts;

8 (C) A record keeping and financial accountability framework to
9 determine that taxpayer funds are used for permitted purposes;

10 (D) Provisions intended to streamline permitting, zoning, and
11 similar development issues;

12 (E) Additional conditions for disbursement of funds held by the
13 trustee bank or of bond proceeds intended to ensure project viability and
14 to protect local taxpayers of the city; and

15 (F) Mutual agreements for cooperation regarding the expansion of the
16 good life district.

17 (b) The department may adopt and promulgate rules and regulations to
18 govern the content of and procedures relating to the memorandum of
19 understanding.

20 (c) This subsection shall not apply to local sources of revenue
21 attributable to a project area that have been pledged for payment of
22 bonds or otherwise committed by contract under the good life district
23 economic development program prior to the city receiving notice of
24 establishment of a project area.

25 (d) The funds and accounts established with a trustee bank for a
26 project area shall be part of the good life district economic development
27 fund of the city and distributed pursuant to the agreements made in
28 accordance with this subsection.

29 (9) Nothing in the Good Life District Economic Development Act
30 authorizes the use of eminent domain to acquire property within a good
31 life district for the purpose of giving or selling such property to a

1 private individual or corporation.

2 **Sec. 11.** Section 77-4413, Revised Statutes Cumulative Supplement,
3 2024, is amended to read:

4 77-4413 (1)(a) (1) Upon establishing a good life district economic
5 development program, the city is authorized to establish a general
6 business occupation tax as a local source of revenue. Such occupation tax
7 may be imposed upon the businesses and users of space located within the
8 good life district program area. any one or more of the following local
9 sources of revenue for the program within the applicable good life
10 district program area:

11 ~~(a) A local option sales and use tax of up to the greater of (i) the~~
12 ~~difference between the state sales tax rate levied in general and the~~
13 ~~state sales tax rate levied on transactions occurring within a good life~~
14 ~~district or (ii) two and three-quarters percent upon the same~~
15 ~~transactions that are sourced under the provisions of sections 77-2703.01~~
16 ~~to 77-2703.04 within the good life district program area on which the~~
17 ~~State of Nebraska is authorized to impose a tax pursuant to the Nebraska~~
18 ~~Revenue Act of 1967, as amended from time to time. The city is authorized~~
19 ~~to impose such sales and use tax by ordinance of its governing body, and~~
20 ~~such sales and use tax shall be in addition to any local option sales tax~~
21 ~~imposed by the city pursuant to section 77-27,142. The administration of~~
22 ~~such sales and use tax shall be by the Tax Commissioner in the same~~
23 ~~manner as provided in section 77-27,143. The Tax Commissioner shall~~
24 ~~collect the tax imposed pursuant to this subdivision concurrently with~~
25 ~~collection of a state tax in the same manner as the state tax is~~
26 ~~collected. The Tax Commissioner shall remit monthly the proceeds of such~~
27 ~~tax to the city levying the tax. All relevant provisions of the Nebraska~~
28 ~~Revenue Act of 1967, as amended from time to time, and not inconsistent~~
29 ~~with the Good Life District Economic Development Act, shall govern~~
30 ~~transactions, proceedings, and activities pursuant to any local option~~
31 ~~sales and use tax imposed under this subdivision;~~

1 (b) ~~A general business occupation tax upon the businesses and users~~
2 ~~of space within the good life district program area.~~ The city is
3 authorized to impose such occupation tax by ordinance of its governing
4 body, and any occupation tax imposed pursuant to this subsection
5 ~~subdivision~~ shall make a reasonable classification of businesses, users
6 of space, or kinds of transactions for purposes of imposing such tax. The
7 collection of a tax imposed pursuant to this subsection ~~subdivision~~ shall
8 be made and enforced in such a manner as the governing body of the city
9 shall determine in such ordinance to produce the required revenue. The
10 governing body may provide that failure to pay the tax imposed pursuant
11 to this subsection ~~subdivision~~ shall constitute a violation of the
12 ordinance and subject the violator to a fine or other punishment as
13 provided by such ordinance. ~~;- or~~

14 (2)(a) Upon establishing a good life district economic development
15 program, the Tax Commissioner shall allocate the state sales taxes
16 described in subdivision (b) of this subsection, excluding the taxes on
17 sales of aircraft, all-terrain vehicles, barges, motor vehicles,
18 motorboats, railroad rolling stock, semitrailers, and trailers, to the
19 city in which all or a portion of the good life district is located. Such
20 state sales taxes shall be known as allocated sales taxes and shall
21 constitute a local source of revenue for the city's good life district
22 economic development program.

23 (b) The following state sales taxes shall be allocated under this
24 subsection after any required transfer:

25 (i) Fifty percent of the state sales taxes collected by a new
26 business as defined in section 77-4403 on transactions physically
27 occurring in the portion of the good life district located within the
28 boundaries of the city;

29 (ii) Fifty percent of the state sales taxes that were not allocated
30 under subdivision (b)(i) of this subsection and that were collected on
31 transactions physically occurring in the portion of the good life

1 district located within the boundaries of the city by a good life
2 district applicant or good life district retailer that was operating in
3 the good life district when the good life district was established or the
4 boundaries were expanded, not to exceed an aggregate total of five
5 million dollars per year, except that relocated good life district
6 retailers or additional good life district retailers, as such terms are
7 defined in section 77-4403, shall be allowed to exceed the five-million-
8 dollar cap to the extent there are, as calculated by the Department of
9 Revenue, taxes received by the state from new businesses net of any
10 allocation or reduction within the good life district in the amount of
11 five million dollars plus the excess allocation or reduction over five
12 million dollars; and

13 (iii) Fifty percent of the state sales taxes that were not subject
14 to allocation under subdivision (b)(i) or (ii) of this subsection or a
15 reduced rate under subsection (7) of section 77-4405 and that were paid
16 by a good life district applicant, project area applicant, or good life
17 district retailer on new development costs as defined in section 77-4403.

18 (c) Allocated sales taxes shall not include any state sales taxes
19 collected pursuant to subdivision (7)(c) of section 77-4405.

20 (d) The Tax Commissioner shall remit the allocated sales taxes,
21 after deducting the amount of refunds, to the appropriate city on a
22 monthly basis in the manner prescribed in the Local Option Revenue Act.
23 Any refunds not covered by allocated sales taxes shall be offset from
24 local sales tax remittance pursuant to the Local Option Revenue Act.

25 (e) The Tax Commissioner shall provide a detailed report to the
26 applicable city with each such monthly remittance which includes the real
27 estate parcel, the good life district applicant, the good life district
28 retailer, the aggregate amount of taxable sales, and the amount of
29 remittance attributable to the good life district applicant and each good
30 life district retailer for such remittance period. The Tax Commissioner
31 shall also provide each such report to the department. The details of

1 each such report shall be kept confidential by the city, provided that
2 the city may disclose the aggregate total of taxable sales and remittance
3 for the entire good life district and for each project area, if any have
4 been established.

5 (f) Any amount of allocated sales taxes remitted to a city under
6 this subsection which is unencumbered and in such city's good life
7 district economic development fund shall be subject to the recapture
8 provisions of section 77-4406.

9 (3) Upon establishing a good life district economic development
10 program, the city may designate, by ordinance, a portion of the city's
11 local option sales and use tax established pursuant to section 77-27,142
12 as a local source of revenue. The designated portion shall only include
13 amounts collected on transactions occurring within the good life district
14 program area and may be further restricted by the city in such ordinance
15 or dedicated to pay such expenses as agreed to by the city and the good
16 life district applicant.

17 ~~(c) Such portion of a city's local option sales and use tax~~
18 ~~established pursuant to section 77-27,142 which has been designated by~~
19 ~~the city for such purpose pursuant to an ordinance, which may only~~
20 ~~include amounts collected on transactions occurring within the good life~~
21 ~~district program area, and which may be further restricted by the city in~~
22 ~~such ordinance, or dedicated to pay such expenses as agreed to between~~
23 ~~the city and the good life district applicant.~~

24 ~~(2) The local option sales and use tax imposed pursuant to~~
25 ~~subdivision (1)(a) of this section shall be separate and apart from any~~
26 ~~sales and use tax imposed by the city pursuant to the Local Option~~
27 ~~Revenue Act and shall not be considered imposed by or pursuant to the~~
28 ~~Local Option Revenue Act for any purpose under Nebraska law. The local~~
29 ~~option sales and use tax imposed pursuant to subdivision (1)(a) of this~~
30 ~~section shall not be subject to deduction for any refunds made pursuant~~
31 ~~to section 77-4105, 77-4106, 77-5725, or 77-5726, and shall not be~~

1 ~~affected by or included in the tax incentives available under the~~
2 ~~Employment and Investment Growth Act, the Nebraska Advantage Act, the~~
3 ~~Imagine Nebraska Act, the Nebraska Advantage Transformational Tourism and~~
4 ~~Redevelopment Act, the Urban Redevelopment Act, or any other tax~~
5 ~~incentive act which affects the local option sales tax imposed by a city~~
6 ~~pursuant to the Local Option Revenue Act.~~

7 (4) (3) All local sources of revenue which have been established for
8 a good life district shall remain in effect and shall not end or
9 terminate until the associated good life district economic development
10 program terminates.

11 **Sec. 12.** Section 77-4414, Revised Statutes Cumulative Supplement,
12 2024, is amended to read:

13 77-4414 (1) Any city which has established a good life district
14 economic development program shall establish a separate good life
15 district economic development fund for such program, and may establish
16 subaccounts in such fund as determined appropriate. All funds derived
17 from local sources of revenue established for the program or received for
18 the program, and any earnings from the investment of such funds, shall be
19 deposited into such fund. Any proceeds from the issuance and sale of
20 bonds pursuant to the Good Life District Economic Development Act to
21 provide funds to carry out the good life district economic development
22 program, shall be deposited into the good life district economic
23 development fund, or with a bond trustee pursuant to any resolution,
24 trust indenture, or other security instrument entered into in connection
25 with the issuance of such bonds, or as otherwise provided in section
26 77-4423. The city shall not transfer or remove funds from a good life
27 district economic development fund other than for the purposes prescribed
28 in the act, and the money in a good life district economic development
29 fund shall not be commingled with any other city funds.

30 (2) Distribution of any funds from a good life district economic
31 development fund, including from proceeds of bonds issued pursuant to the

1 Good Life District Economic Development Act, to a qualifying business
2 shall be made only upon receipt of evidence that such distribution is for
3 the payment or reimbursement of eligible costs. A city may establish
4 processes for any such approval in the ordinance establishing the
5 applicable program, with a bond trustee under a bond resolution or trust
6 indenture, or as may otherwise be determined appropriate by the city.

7 (3) Any money in a good life district economic development fund not
8 currently required or committed for purposes of such good life district
9 economic development program shall be invested as provided for in section
10 77-2341.

11 (4) In the event that a good life district economic development
12 program is terminated or ends, the balance of money in such good life
13 district economic development fund not otherwise pledged for payment of
14 bonds or otherwise committed by contract under the program and not
15 required to be transferred to the state General Fund pursuant to
16 subdivision (4)(a) of section 77-4406 shall be deposited in the general
17 fund of the city. Any funds received by the city by reason of a good life
18 district economic development program after the termination of such
19 program shall be transferred from such good life district economic
20 development fund to the general fund of the city as such funds are
21 received.

22 (5) A good life district economic development fund shall not be
23 terminated until such time as all bonds, contracts, and other obligations
24 payable from such fund are no longer outstanding or are extinguished as
25 provided in section 77-4418, and all funds related to them fully
26 accounted for, with no further city action required, and after the
27 completion of a final audit pursuant to section 77-4416.

28 **Sec. 13.** (1) The Department of Economic Development and the
29 Department of Revenue may share information, including information of a
30 confidential nature, as needed to properly administer the Good Life
31 District Economic Development Act.

1 (2) The Department of Economic Development may adopt and promulgate
2 rules and regulations to carry out the Good Life District Economic
3 Development Act.

4 **Sec. 14.** If any section in this act or any part of any section is
5 declared invalid or unconstitutional, the declaration shall not affect
6 the validity or constitutionality of the remaining portions.

7 **Sec. 15.** Original sections 77-2701.02, 77-4401, 77-4403, 77-4404,
8 77-4405, 77-4406, 77-4408, 77-4410, 77-4412, 77-4413, and 77-4414,
9 Revised Statutes Cumulative Supplement, 2024, are repealed.

10 **Sec. 16.** Since an emergency exists, this act takes effect when
11 passed and approved according to law.