

AMENDMENTS TO LB707

Introduced by von Gillern, 4.

1 1. Strike the original sections and insert the following new
2 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 77-4403, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 77-4403 For purposes of the Good Life Transformational Projects Act:

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

7 (2) Good life district means a district established pursuant to
8 section 77-4405; and

9 (3) Good life district applicant means the person who applies for
10 the applicable good life district pursuant to section 77-4404;

11 (4) Good life district retailer means a retailer in a good life
12 district that has notified the department that it has chosen to be a
13 retailer participating in the good life district pursuant to section
14 77-4405;

15 (5) New business means a new-to-market business that was not legally
16 licensed and located within the good life district or within one hundred
17 miles of the good life district prior to the creation of such district;

18 (6)(a) New development costs means development costs that:

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

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

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

24 (b) The value of the new development costs for any project shall be
25 equal to the increase in the assessed valuation of real and personal
26 property that are part of such project, as determined annually by the
27 department, including:

28 (i) Increases in the assessed valuation of real property
29 attributable to new construction and additions to existing buildings; and

30 (ii) Increases in the assessed valuation of personal property
31 attributable to items of personal property that are newly added to the

1 tax roll.

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

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

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

12 (iii) The moving of a business from a location within this state and
13 within one hundred miles of the good life district into the good life
14 district; or

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

16 (7) ~~(3)~~ Qualified inland port district means an inland port district
17 created pursuant to the Municipal Inland Port Authority Act that is
18 located within a city of the metropolitan class; and -

19 (8) Related persons means any corporations, partnerships, limited
20 liability companies, or joint ventures which are or would otherwise be
21 members of the same unitary group, if incorporated, or any persons who
22 are considered to be related persons under either section 267(b) and (c)
23 or section 707(b) of the Internal Revenue Code of 1986, as amended.

24 **Sec. 3.** Section 77-4404, Revised Statutes Cumulative Supplement,
25 2024, is amended to read:

26 77-4404 (1) Until December 31, 2024, any person may apply to the
27 department to create a good life district. All applications shall be in
28 writing and shall contain:

29 (a) A description of the proposed project to be undertaken within
30 the good life district, including a description of any existing
31 development, an estimate of the total new development costs for the

1 project, and an estimate of the number of new jobs to be created as a
2 result of the project;

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

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

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

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

12 (i) A statement of how the jobs and taxes obtained from the project
13 will contribute significantly to the economic development of the state
14 and region;

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

18 (iii) Any unique qualities of the project;

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

21 (v) Project accountability, measured according to best industry
22 practices;

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

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

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

30 (3) The application and all supporting information shall be
31 confidential except for the location of the project, the total new

1 development costs estimated for the project, and the number of new jobs
2 estimated to be created as a result of the project.

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

7 **Sec. 4.** Section 77-4405, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 77-4405 (1) If the department finds that creation of the good life
10 district would not exceed the limits prescribed in subsection (4) of
11 section 77-4404 and the project described in the application meets the
12 eligibility requirements of this section, the application shall be
13 approved.

14 (2) A project is eligible if:

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

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

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

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

24 (iv) One hundred million dollars if the project will be located in a
25 city of the first class, city of the second class, village, or sanitary
26 and improvement district within a county with a population of less than
27 one hundred thousand inhabitants;

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

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

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

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

6 (iv) Fifty new jobs if the project will be located in a city of the
7 first class, city of the second class, village, or sanitary and
8 improvement district within a county with a population of less than one
9 hundred thousand inhabitants; and

10 (c)(i) For a project that will be located in a county with a
11 population of one hundred thousand inhabitants or more, the good life
12 district applicant demonstrates that, upon completion of the project, at
13 least twenty percent of sales at the project will be made to persons
14 residing outside the State of Nebraska or the project will generate a
15 minimum of six hundred thousand visitors per year who reside outside the
16 State of Nebraska and the project will attract new-to-market retail to
17 the state and will generate a minimum of three million visitors per year
18 in total. Students from another state who attend a Nebraska public or
19 private university shall not be counted as out-of-state residents for
20 purposes of this subdivision; or

21 (ii) For a project that will be located in a county with a
22 population of less than one hundred thousand inhabitants, the good life
23 district applicant demonstrates that, upon completion of the project, at
24 least twenty percent of sales at the project will be made to persons
25 residing outside the State of Nebraska. Students from another state who
26 attend a Nebraska public or private university shall not be counted as
27 out-of-state residents for purposes of this subdivision.

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

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

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

8 (b) Provide evidence that such applicant has land ownership or a
9 contract giving the applicant an option to purchase land within the
10 proposed boundaries of the good life district; and

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

14 (5) {4} A project is not eligible if:

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

22 (b) The project received funds pursuant to the Shovel-Ready Capital
23 Recovery and Investment Act or the Economic Recovery Act, except that
24 this subdivision shall not apply to any project located in a qualified
25 inland port district; or

26 (c) The project includes any portion of a public or private
27 university.

28 (6) {5} Approval of an application under this section shall
29 establish the good life district as that area depicted in the map
30 accompanying the application as submitted pursuant to subdivision (1)(b)
31 of section 77-4404 or, for any application approved on or after the

1 effective date of this act, the map as approved by the department. Such
2 district shall last for thirty years and shall not exceed two thousand
3 acres in size if in a city of the metropolitan class, three thousand
4 acres in size if in any other class of city or village, or, for any good
5 life district created within a qualified inland port district, the size
6 of the qualified inland port district. The good life district and any
7 additions made to such district pursuant to this section shall be
8 contiguous.

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

12 (b) On and after July 1, 2024, and until July 1, 2025, any
13 transactions occurring within a good life district shall be subject to a
14 reduced state sales tax rate as provided in subdivision (6) of section
15 77-2701.02.

16 ~~(8) (7)~~ After establishment of a good life district pursuant to this
17 section, a good life district applicant or the city or village in which
18 all or a portion of the good life district is located may request an
19 adjustment to ~~may adjust~~ the boundaries of the district by filing an
20 amended map with the department and updates or supplements to the
21 application materials originally submitted by the good life district
22 applicant to demonstrate the eligibility criteria in subsection (2) of
23 this section will be met after the boundaries are adjusted. The
24 department may ~~shall~~ approve the new boundaries if ~~on~~ the following
25 conditions are met:

26 (a) The department determines that the eligibility criteria in
27 subsection (2) of this section will continue to be met after the proposed
28 boundary adjustment based on the materials submitted by the party
29 requesting the boundary adjustment; ~~good life district applicant; and~~

30 (b) The adjustment is approved by the city or village in which all
31 or a portion of the good life district is located;

1 (c) For any area being added to the district, such area only
2 includes retailers that are owned by the good life district applicant,
3 are related to the good life district applicant, or had a previous
4 contractual relationship with the good life district applicant and that
5 agree to become a good life district retailer; and

6 (d) {b} For any area being removed from the district:

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

14 (ii) Either the department has received written consent from the
15 owners of real estate proposed to be removed from the good life district,
16 or a hearing is held by the department in the manner described in this
17 subdivision and the department finds that the removal of the affected
18 property is in the best interests of the state and that the removal is
19 consistent with the goals and purposes of the approved application for
20 the good life district. In determining whether removal of the affected
21 property is consistent with the goals and purposes of the approved
22 application for the good life district, the department may consider any
23 formal action taken by the city council or village board of trustees.
24 Proof of such formal action may include resolutions, meeting minutes, or
25 other official measures adopted or taken. Such hearing must be held at
26 least ninety days after delivering written notice via certified mail to
27 the owners of record for the affected real estate proposed to be removed
28 from the good life district. The hearing must be open to the public and
29 for the stated purpose of hearing testimony regarding the proposed
30 removal of property from the good life district. Attendees must be given
31 the opportunity to speak and submit documentary evidence at, prior to, or

1 contemporaneously with such hearing for the department to consider in
2 making its findings.

3 ~~(9)~~ (8) After establishment of a good life district pursuant to this
4 section, but within twelve months after the approval of the original
5 application or after any modification is made to the boundaries of a good
6 life district pursuant to subsection (8) of this section, a city or
7 village in which any part of the applicable good life district is located
8 may file a supplemental request to the department to increase the size of
9 the good life district by up to one thousand contiguous acres. Such
10 supplemental request shall be accompanied by such materials and
11 certifications necessary to demonstrate that such increase would not
12 negatively impact the criteria that were necessary for the original
13 establishment of such good life district.

14 ~~(10)~~ (9) After establishment of a good life district pursuant to
15 this section and after any modification is made to the boundaries of a
16 good life district pursuant to this section, the department shall
17 transmit to any city or village which includes such good life district
18 within its boundaries or within its extraterritorial zoning jurisdiction
19 (a) all information held by the department related to the application and
20 approval of the application, (b) all documentation which describes the
21 property included within the good life district, and (c) all
22 documentation transmitted to the applicant for such good life district
23 with approval of the application and establishment of the good life
24 district. Such city or village shall be subject to the same
25 confidentiality restrictions as provided in subsection (3) of section
26 77-4404, except that all such documents, plans, and specifications
27 included in the application which the city or village determine define or
28 describe the project may be provided upon written request of any person
29 who owns property in the applicable good life district. The department
30 shall also transmit a copy of the map of the good life district, a list
31 of all businesses in the good life district that are owned by the good

1 life district applicant, a list of all businesses in the good life
2 district that are good life district retailers, and any ownership updates
3 to the Department of Revenue.

4 (11) (10) After establishment of a good life district that exceeds
5 one thousand acres in size, the good life district applicant may apply to
6 the city or village in which all or a portion of the good life district
7 is located ~~department~~ to establish development and design standards for
8 the good life district. Such standards may include, but are not limited
9 to, standards for architectural design, landscape design, construction
10 materials, and sustainability, but may not require property owners to
11 utilize specific contractors, professionals, suppliers, or service
12 providers. The city or village ~~department~~ may approve the standards after
13 holding a hearing after one hundred eighty days' notice to all property
14 owners in the district if the city or village ~~department~~ finds that the
15 standards will ensure a comprehensive and cohesive character and
16 aesthetic for development in the good life district, and that the
17 standards will further the purposes of the Good Life Transformational
18 Projects Act. The development and design standards must be commercially
19 reasonable and consistent with terminology and accepted practices in the
20 architecture industry, must not conflict with any building code or other
21 similar law or regulation, and must not impose an undue burden on
22 property owners in the district. If approved, the standards shall apply
23 to all new construction inside of the good life district. Any
24 ~~Notwithstanding the foregoing, any such standards established by the~~
25 ~~department~~ shall be in addition and supplemental to any local zoning,
26 building code, comprehensive plan, or similar requirements of the city or
27 village, ~~which requirements of the city or village shall control to the~~
28 ~~extent of any conflict with any design standards established by the~~
29 ~~department.~~

30 (12) After establishment of a good life district pursuant to this
31 section, a retailer that is or will be within the good life district may

1 notify the department that it has chosen to participate in the good life
2 district and become a good life district retailer. Once the department
3 receives such notification, the department shall notify the city or
4 village in which the good life district is located and the Department of
5 Revenue that the retailer is a good life district retailer for that
6 particular good life district.

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

16 (14) After establishment of a good life district pursuant to this
17 section, the good life district applicant and any good life district
18 retailer in the good life district may apply for a direct payment permit
19 under section 77-2705.01, notwithstanding the three million dollars in
20 purchases limitation in subsection (1) of section 77-2705.01. For any
21 good life district applicant or good life district retailer who is issued
22 a direct payment permit, such applicant or retailer shall pay and remit
23 any applicable sales and use taxes as required by law and shall pay the
24 state sales tax at a rate of two and three-quarters percent on building
25 material purchases that qualify as new development costs.

26 (15) After establishment of a good life district pursuant to this
27 section, the good life district applicant shall submit an annual report
28 to the department and to any city or village that includes any portion of
29 the good life district. Such report shall be submitted by December 31 of
30 each year that the good life district is in existence. Such report shall
31 include the same information required under subsection (4) of this

1 section.

2 ~~(16)~~ ~~(11)~~ Demonstration of meeting the required new development
3 costs for purposes of subdivision (2)(a) of this section may be
4 established by evidence submitted by the good life district applicant,
5 the city or village where the good life district is located, or any other
6 person that ~~which~~ submits satisfactory evidence to the department.

7 **Sec. 5.** Section 77-4406, Revised Statutes Cumulative Supplement,
8 2024, is amended to read:

9 77-4406 (1) The department shall terminate a good life district
10 established pursuant to section 77-4405 if:

11 (a) Commitments for ten percent of the investment threshold required
12 under subdivision (2)(a) of section 77-4405 have not been made within
13 three years after establishment of such district;

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

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

20 (d) The city or village in which all or a portion of the good life
21 district is located has not established a good life district economic
22 development program as provided in section 77-4412 within three years
23 after establishment of such district.

24 (2) The department shall measure the amount of commitments for such
25 investment from evidence submitted by the good life district applicant,
26 the city or village in which all or a portion of the district is located,
27 or any other source determined appropriate by the department.

28 (3) The department may terminate a good life district upon the
29 request of the good life district applicant or the city or village in
30 which all or a portion of the good life district is located.

31 (4)(a) Any termination of a good life district pursuant to this

1 section shall require the recapture of a percentage of (a) the allocated
2 sales taxes, as defined in section 77-4410, that were allocated pursuant
3 to section 77-4413 to the city or village in which the terminated good
4 life district was located and (b) the amount of state sales tax revenue
5 lost as a result of the reduced state sales tax rate paid pursuant to
6 subsection (14) of section 77-4405 by the relevant good life district
7 applicant and good life district retailers. The percentage to be
8 recaptured shall be calculated by taking the number of years that the
9 good life district would have continued in the absence of the termination
10 and dividing that amount by thirty. The good life district applicant
11 shall pay thirty percent of the required recapture amount, and the city
12 or village in which all or a portion of the good life district was
13 located shall pay seventy percent of such amount.

14 (b) Any unencumbered amounts remaining in a good life district
15 economic development fund established under section 77-4414 for a good
16 life district that is terminated pursuant to this section shall be
17 remitted to the State Treasurer for credit to the General Fund and shall
18 be credited against the required recapture amount.

19 (c) Any amount required to be recaptured shall be deemed to be an
20 underpayment of the tax and shall be immediately due and payable. For any
21 amount required to be recaptured from a city or village, the Department
22 of Revenue shall deduct such amount from any disbursements of local
23 option sales and use taxes paid to such city or village.

24 (d) The recapture required by this subsection shall not occur if the
25 failure to meet the requirements in subsection (1) of this section was
26 caused by an act of God or a national emergency.

27 **Sec. 6.** Section 77-4410, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 77-4410 For purposes of the Good Life District Economic Development
30 Act, unless the context otherwise requires:

31 (1) Allocated sales taxes means state sales taxes that are collected

1 in a good life district by the good life district applicant or by any
2 good life district retailer and that are allocated by the Tax
3 Commissioner to the city in which the good life district is located
4 pursuant to subsection (2) of section 77-4413;

5 (2) ~~(1)~~ City means any city of the metropolitan class, city of the
6 primary class, city of the first class, city of the second class, or
7 village, including any city operated under a home rule charter;

8 (3) ~~(2)~~ Bond has the same meaning as in section 10-134;

9 (4) ~~(3)~~ Election means any general election, primary election, or
10 special election called by the city as provided by law;

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

28 (6) ~~(5)~~ Good life district means any good life district established
29 pursuant to the Good Life Transformational Projects Act;

30 (7) ~~(6)~~ Good life district applicant means the person who applied
31 for the applicable good life district, which was approved by the

1 Department of Economic Development pursuant to section 77-4405;

2 ~~(8) (7)~~ Good life district economic development program or program
3 means a program established pursuant to the Good Life District Economic
4 Development Act to utilize funds derived from local sources of revenue
5 for the purpose of paying eligible costs, and for paying principal of and
6 interest on bonds issued pursuant to the act;

7 ~~(9) (8)~~ Good life district program area means the area established
8 pursuant to section 77-4412 for a good life district economic development
9 program;

10 ~~(10)~~ Good life district retailer means a retailer in a good life
11 district that has notified the Department of Economic Development that it
12 has chosen to be a retailer participating in the good life district;

13 ~~(11) (9)~~ Governing body means the city council, board of trustees,
14 or other legislative body charged with governing the city;

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

21 ~~(13) (11)~~ Qualifying business means any good life district applicant
22 or good life district retailer that ~~corporation, nonprofit corporation,~~
23 ~~partnership, limited liability company, or sole proprietorship which owns~~
24 ~~or leases property or operates its business within a good life district~~
25 ~~program area, or plans to own or lease property or operate its business~~
26 ~~within a good life district program area. The good life district~~
27 ~~applicant shall be deemed a qualifying business pursuant to this~~
28 ~~subdivision.~~ Qualifying business shall also include a political
29 subdivision, a state agency, or any other governmental entity which
30 includes any portion of the good life district program area within its
31 territorial boundaries.

1 **Sec. 7.** Section 77-4411, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 77-4411 (1) The authority of a city to establish a good life
4 district economic development program and to appropriate local sources of
5 revenue to such program is subject to approval by a vote of a majority of
6 the registered voters of the city voting upon the question.

7 (2) The question may be submitted to the voters at a special
8 election or such question may be voted on at an election held in
9 conjunction with the statewide primary or statewide general election. The
10 question may be submitted to the voters before or after any application
11 is submitted to establish a good life district pursuant to the Good Life
12 Transformational Projects Act.

13 (3) A city shall order submission of the question to the registered
14 voters by resolution. The resolution shall contain the entire wording of
15 the ballot question, which shall state the question as follows: "Shall
16 the [city or village] of [name of the city or village] be authorized to
17 establish a good life district economic development program for any area
18 within the [city or village] which is included in a good life district
19 established pursuant to the Good Life Transformational Projects Act, and
20 shall the [city or village] be authorized to appropriate the local
21 sources of revenue collected within such good life district program area,
22 which may include ~~local option sales and use taxes and~~ occupation taxes
23 and allocated sales taxes, established pursuant to and as permitted by
24 the Good Life District Economic Development Act?"

25 (4) The city shall file a copy of the resolution calling the
26 election with the election commissioner or county clerk not later than
27 the eighth Friday prior to a special election or a municipal primary or
28 general election which is not held at the statewide primary or general
29 election, or not later than March 1 prior to a statewide primary election
30 or September 1 prior to a statewide general election. The election shall
31 be conducted in accordance with the Election Act.

1 (5) If a majority of those voting on the issue vote in favor of the
2 question, the governing body may establish and implement a good life
3 district economic development program upon the terms contained in the
4 Good Life District Economic Development Act. If a majority of those
5 voting on the issue vote against the question, the governing body shall
6 not establish or implement any good life district economic development
7 program. When the question of establishing a good life district economic
8 development program is defeated at an election, resubmission of the
9 question and an election on the question shall not be held until at least
10 five months have passed from and after the date of such election.

11 **Sec. 8.** Section 77-4412, Revised Statutes Cumulative Supplement,
12 2024, is amended to read:

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

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

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

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

31 (c) The time period within which the funds from local sources of

1 revenue are to be collected within the good life district program area,
2 and the time period during which the good life district economic
3 development program will be in existence;

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

18 (e) Such restrictions on qualifying businesses, limitations on types
19 of eligible costs, and limitations on the amounts of eligible costs as
20 the city determines are in the best interests of the city and the good
21 life district economic development program. Such limitations and
22 restrictions shall include provisions intended to ensure (i) sufficient
23 infrastructure will be available to serve the program area and
24 expectations as to how such infrastructure will be constructed and
25 funded, (ii) sufficient capital investment in buildings and facilities to
26 generate enough local sources of revenue to sustain the program, and
27 (iii) substantially all of the eligible costs will be used for the
28 benefit of the program area; and

29 (f) A description of the administrative system that will be
30 established by the city to administer the good life district economic
31 development program, including a description of any personnel structure

1 and the duties and responsibilities of the personnel involved.

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

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

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

1 administration of the program which are charged to the program by the
2 city shall be paid from the associated good life district economic
3 development fund prior to payment of any other eligible costs or bonds
4 which may be payable from the fund.

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

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

18 (8) Nothing in the Good Life District Economic Development Act
19 authorizes the use of eminent domain to acquire property within a good
20 life district for the purpose of giving or selling such property to a
21 private individual or corporation.

22 **Sec. 9.** Section 77-4413, Revised Statutes Cumulative Supplement,
23 2024, is amended to read:

24 77-4413 (1)(a) {1} Upon establishing a good life district economic
25 development program, the city is authorized to establish a general
26 business occupation tax as a local source of revenue. Such occupation tax
27 may be imposed upon the businesses owned by the good life district
28 applicant and on good life district retailers located within the good
29 life district program area. Such occupation tax shall be at a rate equal
30 to two and three-quarters percent. any one or more of the following local
31 sources of revenue for the program within the applicable good life

1 ~~district program area:~~

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

23 ~~(b) A general business occupation tax upon the businesses and users~~
24 ~~of space within the good life district program area. The city is~~
25 ~~authorized to impose such occupation tax by ordinance of its governing~~
26 ~~body, and any occupation tax imposed pursuant to this subsection~~
27 ~~subdivision shall make a reasonable classification of businesses, users~~
28 ~~of space, or kinds of transactions for purposes of imposing such tax. The~~
29 ~~collection of a tax imposed pursuant to this subsection subdivision shall~~
30 ~~be made and enforced in such a manner as the governing body of the city~~
31 ~~shall determine in such ordinance to produce the required revenue. The~~

1 governing body may provide that failure to pay the tax imposed pursuant
2 to this subsection ~~subdivision~~ shall constitute a violation of the
3 ordinance and subject the violator to a fine or other punishment as
4 provided by such ordinance. ~~; or~~

5 (2)(a) Upon establishing a good life district economic development
6 program, the Tax Commissioner shall allocate a portion of the state sales
7 taxes collected in the good life district by the good life district
8 applicant or by any good life district retailer to the city in which the
9 good life district is located. Such allocated sales taxes shall
10 constitute a local source of revenue for such city.

11 (b) The amount of state sales taxes to be allocated under this
12 subsection shall be:

13 (i) For a good life district applicant and any good life district
14 retailers that were not in existence when the good life district was
15 established, fifty percent of the state sales taxes collected by such
16 applicant and retailers; and

17 (ii) For a good life district applicant and any good life district
18 retailers that were in existence when the good life district was
19 established, fifty percent of the state sales taxes collected by such
20 applicant and retailers, not to exceed an aggregate total of five million
21 dollars per year.

22 (c) The Tax Commissioner shall remit the allocated sales taxes to
23 the appropriate city on a monthly basis in the manner prescribed in the
24 Local Option Revenue Act.

25 (d) Any amount of allocated sales taxes remitted to a city under
26 this subsection which is unencumbered shall be subject to the recapture
27 provisions of section 77-4406.

28 ~~(e) Such portion of a city's local option sales and use tax~~
29 ~~established pursuant to section 77-27,142 which has been designated by~~
30 ~~the city for such purpose pursuant to an ordinance, which may only~~
31 ~~include amounts collected on transactions occurring within the good life~~

1 ~~district program area, and which may be further restricted by the city in~~
2 ~~such ordinance, or dedicated to pay such expenses as agreed to between~~
3 ~~the city and the good life district applicant.~~

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

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

22 **Sec. 10.** Section 77-4414, Revised Statutes Cumulative Supplement,
23 2024, is amended to read:

24 77-4414 (1) Any city which has established a good life district
25 economic development program shall establish a separate good life
26 district economic development fund for such program, and may establish
27 subaccounts in such fund as determined appropriate. All funds derived
28 from local sources of revenue established for the program or received for
29 the program, and any earnings from the investment of such funds, shall be
30 deposited into such fund. Any proceeds from the issuance and sale of
31 bonds pursuant to the Good Life District Economic Development Act to

1 provide funds to carry out the good life district economic development
2 program, shall be deposited into the good life district economic
3 development fund, or with a bond trustee pursuant to any resolution,
4 trust indenture, or other security instrument entered into in connection
5 with the issuance of such bonds, or as otherwise provided in section
6 77-4423. The city shall not transfer or remove funds from a good life
7 district economic development fund other than for the purposes prescribed
8 in the act, and the money in a good life district economic development
9 fund shall not be commingled with any other city funds.

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

18 (3) Any money in a good life district economic development fund not
19 currently required or committed for purposes of such good life district
20 economic development program shall be invested as provided for in section
21 77-2341.

22 (4) In the event that a good life district economic development
23 program is terminated or ends, the balance of money in such good life
24 district economic development fund not otherwise pledged for payment of
25 bonds or otherwise committed by contract under the program and not
26 required to be transferred to the state General Fund pursuant to
27 subdivision (4)(b) of section 77-4406 shall be deposited in the general
28 fund of the city. Any funds received by the city by reason of a good life
29 district economic development program after the termination of such
30 program shall be transferred from such good life district economic
31 development fund to the general fund of the city as such funds are

1 received.

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

8 **Sec. 11.** Section 77-4415, Revised Statutes Cumulative Supplement,
9 2024, is amended to read:

10 77-4415 (1) All local sources of revenue established for a good life
11 district economic development program, and received for such program,
12 shall be deposited in the applicable good life district economic
13 development fund of the city when received.

14 (2) All local sources of revenue shall be spent within the good life
15 district program area for eligible costs of the good life district
16 economic development program as agreed to by the good life district
17 applicant and the city.

18 (3) Any other funds in the good life district economic development
19 fund may be appropriated and spent for eligible costs of the good life
20 district economic development program in any amount and at any time at
21 the discretion and direction of the governing body of the city.

22 **Sec. 12.** Original sections 77-2701.02, 77-4403, 77-4404, 77-4405,
23 77-4406, 77-4410, 77-4411, 77-4412, 77-4413, 77-4414, and 77-4415,
24 Revised Statutes Cumulative Supplement, 2024, are repealed.

25 **Sec. 13.** Since an emergency exists, this act takes effect when
26 passed and approved according to law.