

# **One Hundred Ninth Legislature - First Session - 2025**

## **Introducer's Statement of Intent**

### **LB510**

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**Chairperson: Senator R. Brad von Gillern**

**Committee: Revenue**

**Date of Hearing: March 19, 2025**

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

LB510 would amend the Good Life Transformational Projects Act to address sales tax collection and procedures for continuation of a good life district should the original applicant determine that they no longer want to pursue the transformational project for which the district was created.

The state sales tax rate charged inside good life districts was reduced to 2.75%, but has not been replaced by other revenue. LB 510 would correct this by restricting the timing of the reduction to only after the involved city or village has imposed a sales tax or occupation tax equal to at least 2.75%. This would be on transactions that occur within such portion of a good life district established pursuant to the Good Life Transformational Projects Act which is located within the corporate limits of a city or village.

LB 510 would amend other sections of the Good Life Transformational Projects Act to allow additional parties, other than the applicant, to apply to the Department of Economic Development (DED) for district boundary changes; clarify that requests from a city or village to expand the district may include multiple separate parcels with such parcels being (a) adjacent to the existing good life district or (b) if not adjacent to the existing good life district, within or adjacent to the existing corporate limits of the requesting city or village; and clarifies that DED may accept evidence to support investment threshold and milestone requirements from other sources, so long as the expenditure evidence submitted is related to the specific project.

Prior to terminating a district, DED would be required to provide written notice to all property owners within the approved good life district and the city or village which includes the district, stating that the department intends to terminate such district. Such property owners, city or village would have 90 days to assume the statutory role and responsibilities of the original applicant and continue the good life district. DED would not be allowed to terminate a good life district before the three-year benchmark deadline.

Finally, LB 510 would expressly state that eminent domain cannot be used to acquire property within a good life district for the purpose of giving or selling such property to a private individual or corporation.

**Principal Introducer:** \_\_\_\_\_

**Senator Rick Holdcroft**