

AMENDMENTS TO LB1197

Introduced by von Gillern, 4.

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

3 Section 1. Section 13-3102, Revised Statutes Supplement, 2023, is
4 amended to read:

5 13-3102 For purposes of the Sports Arena Facility Financing
6 Assistance Act:

7 (1) Applicant means:

8 (a) A political subdivision; or

9 (b) A political subdivision and nonprofit corporation ~~organization~~
10 that jointly submit an application under the act;

11 (2) Board means a board consisting of the Governor, the State
12 Treasurer, the chairperson of the Nebraska Investment Council, the
13 chairperson of the Nebraska State Board of Public Accountancy, and a
14 professor of economics on the faculty of a state postsecondary
15 educational institution appointed to a two-year term on the board by the
16 Coordinating Commission for Postsecondary Education. For administrative
17 and budget purposes only, the board shall be considered part of the
18 Department of Revenue;

19 (3) Bond means a general obligation bond, redevelopment bond, lease-
20 purchase bond, revenue bond, or combination of any such bonds;

21 (4) Concert venue means any enclosed, temperature-controlled
22 building that is primarily used for live performances with an indoor
23 capacity of at least two thousand two hundred fifty but no more than
24 three thousand five hundred persons;

25 (5) Court means a rectangular hard surface primarily used indoors
26 for competitive sports, including, but not limited to, basketball,
27 volleyball, or tennis;

1 (6) Date that the project commenced means the date when a project
2 starts as specified by a contract, resolution, or formal public
3 announcement;

4 (7) Economic redevelopment area means an area in the State of
5 Nebraska in which:

6 (a) The average rate of unemployment in the area during the period
7 covered by the most recent federal decennial census or American Community
8 Survey 5-Year Estimate by the United States Bureau of the Census is at
9 least one hundred fifty percent of the average rate of unemployment in
10 the state during the same period; and

11 (b) The average poverty rate in the area is twenty percent or more
12 for the federal census tract in the area;

13 (8) Eligible sports arena facility means:

14 (a) Any publicly owned, enclosed, and temperature-controlled
15 building primarily used for sports that has a permanent seating capacity
16 of at least three thousand but no more than seven thousand seats and in
17 which initial occupancy occurs on or after July 1, 2010, including
18 stadiums, arenas, dressing and locker facilities, concession areas,
19 parking facilities, nearby parking facilities for the use of the eligible
20 sports arena facility, and onsite administrative offices connected with
21 operating the facilities;

22 (b) Any racetrack enclosure licensed by the State Racing and Gaming
23 Commission in which initial occupancy occurs on or after July 1, 2010,
24 including concession areas, parking facilities, and onsite administrative
25 offices connected with operating the racetrack;

26 (c) Any publicly owned sports complex, including concession areas,
27 parking facilities, and onsite administrative offices connected with
28 operating the sports complex;~~and~~

29 (d) Any privately owned concert venue, including stages, dressing
30 rooms, concession areas, parking facilities, lobby areas, and onsite
31 administrative offices used in operating the concert venue;and

1 (e) Any privately owned sports complex, including concession areas,
2 parking facilities, and onsite administrative offices connected with
3 operating the sports complex;

4 (9) General obligation bond means any bond or refunding bond issued
5 by a political subdivision and which is payable from the proceeds of an
6 ad valorem tax;

7 (10) Increase in state sales tax revenue means the amount of state
8 sales tax revenue collected by a nearby retailer during the fiscal year
9 for which state assistance is calculated minus the amount of state sales
10 tax revenue collected by the nearby retailer in the fiscal year that
11 ended immediately preceding the project completion date of the eligible
12 sports arena facility, except that the amount of state sales tax revenue
13 of a nearby retailer shall not be less than zero;

14 (11) Multipurpose field means a rectangular field of grass or
15 synthetic turf which is primarily used for competitive field sports,
16 including, but not limited to, soccer, football, flag football, lacrosse,
17 or rugby;

18 (12) Nearby parking facility means any parking lot, parking garage,
19 or other parking structure that is not directly connected to an eligible
20 sports arena facility but which is located, in whole or in part, within
21 seven hundred yards of an eligible sports arena facility, measured from
22 any point of the exterior perimeter of such facility but not from any
23 other parking facility or other structure;

24 (13) Nearby retailer means a retailer as defined in section
25 77-2701.32 that is located within the program area. The term includes a
26 subsequent owner of a nearby retailer operating at the same location;

27 (14) New state sales tax revenue means:

28 (a) For any eligible sports arena facility that is not a sports
29 complex:

30 (i) One hundred percent of the state sales tax revenue that (A) is
31 collected by a nearby retailer that commenced collecting state sales tax

1 during the period of time beginning twenty-four months prior to the
2 project completion date of the eligible sports arena facility and ending
3 forty-eight months after the project completion date of the eligible
4 sports arena facility or, for applications for state assistance approved
5 prior to October 1, 2016, forty-eight months after October 1, 2016, and
6 (B) is sourced under sections 77-2703.01 to 77-2703.04 to the program
7 area; and

8 (ii) The increase in state sales tax revenue that (A) is collected
9 by a nearby retailer that commenced collecting state sales tax prior to
10 twenty-four months prior to the project completion date of the eligible
11 sports arena facility and (B) is sourced under sections 77-2703.01 to
12 77-2703.04 to the program area; or

13 (b) For any eligible sports arena facility that is a sports complex,
14 one hundred percent of the state sales tax revenue that (i) is collected
15 by a nearby retailer that commenced collecting state sales tax during the
16 period of time beginning on the date that the project commenced and
17 ending forty-eight months after the project completion date of the
18 eligible sports arena facility and (ii) is sourced under sections
19 77-2703.01 to 77-2703.04 to the program area;

20 (15) Political subdivision means (a) any city, village, or county,
21 school district, or community college area or (b) a joint entity formed
22 under the Interlocal Cooperation Act which includes a city, village, or
23 county as a member;

24 (16) Program area means:

25 (a) For any eligible sports arena facility that is not a sports
26 complex:

27 (i) For applications for state assistance submitted prior to October
28 1, 2016, the area that is located within six hundred yards of an eligible
29 sports arena facility, measured from any point of the exterior perimeter
30 of the facility but not from any parking facility or other structure; or

31 (ii) For applications for state assistance submitted on or after

1 October 1, 2016, the area that is located within six hundred yards of an
2 eligible sports arena facility, measured from any point of the exterior
3 perimeter of the facility but not from any parking facility or other
4 structure, except that if twenty-five percent or more of such area is
5 unbuildable property, then the program area shall be adjusted so that:

6 (A) It avoids as much of the unbuildable property as is practical;
7 and

8 (B) It contains contiguous property with the same total amount of
9 square footage that the program area would have contained had no
10 adjustment been necessary; or

11 (b) For any eligible sports arena facility that is a sports
12 complex; ~~τ~~

13 (i) For applications for state assistance submitted prior to the
14 effective date of this act, the area that is located within six hundred
15 yards of an eligible sports arena facility, measured from any point of
16 the exterior boundary or property line of the facility; or ~~τ~~

17 (ii) For applications for state assistance submitted on or after the
18 effective date of this act, the area that is located within six hundred
19 yards of an eligible sports arena facility, measured from any point of
20 the exterior boundary or property line of the facility, except that if
21 twenty-five percent or more of such area is unbuildable property, then
22 the program area shall be adjusted so that:

23 (A) It avoids as much of the unbuildable property as is practical;
24 and

25 (B) It contains contiguous property with the same total amount of
26 square footage that the program area would have contained had no
27 adjustment been necessary.

28 Approval of an application for state assistance by the board
29 pursuant to section 13-3106 shall establish the program area as that area
30 depicted in the map accompanying the application for state assistance as
31 submitted pursuant to subdivision (2)(c) of section 13-3104;

1 (17) Project completion date means:

2 (a) For projects involving the acquisition or construction of an
3 eligible sports arena facility, the date of initial occupancy of the
4 facility following the completion of such acquisition or construction; or

5 (b) For all other projects, the date of completion of the project
6 for which state assistance is received;

7 (18) Revenue bond means any bond or refunding bond issued by a
8 political subdivision which is limited or special rather than a general
9 obligation bond of the political subdivision and which is not payable
10 from the proceeds of an ad valorem tax;

11 (19) Sports complex means a facility that:

12 (a) Includes indoor areas, outdoor areas, or both;

13 (b) Is primarily used for competitive sports; and

14 (c) Contains at least:

15 (i) Twelve separate sports venues if such facility is located in a
16 city of the metropolitan class;

17 (ii) Six separate sports venues if such facility is located in a
18 city of the primary class; or

19 (iii) Four separate sports venues if such facility is located (A) in
20 a city of the first class, city of the second class, or village, (B)
21 within a county but outside the corporate limits of any city or village,
22 (C) in an economic redevelopment area, or (D) in an opportunity zone
23 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law
24 115-97;

25 (20) Sports venue includes, but is not limited to:

26 (a) A baseball field;

27 (b) A softball field;

28 (c) A multipurpose field;

29 (d) An outdoor stadium primarily used for competitive sports;

30 (e) An outdoor arena primarily used for competitive sports; or

31 (f) An enclosed, temperature-controlled building primarily used for

1 competitive sports. If any such building contains more than one
2 multipurpose field, court, swimming pool, or other facility primarily
3 used for competitive sports, then each such multipurpose field, court,
4 swimming pool, or facility shall count as a separate sports venue; and

5 (21) Unbuildable property means any real property that is located in
6 a floodway, an environmentally protected area, a right-of-way, or a
7 brownfield site as defined in 42 U.S.C. 9601 that the political
8 subdivision determines is not suitable for the construction or location
9 of residential, commercial, or other buildings or facilities.

10 Sec. 2. Section 13-3103, Revised Statutes Supplement, 2023, is
11 amended to read:

12 13-3103 (1) Any applicant may apply to the board for state
13 assistance if (a) the applicant has acquired, constructed, improved, or
14 equipped an eligible sports arena facility, (b) the applicant has
15 approved a revenue bond issue or a general obligation bond issue to
16 acquire, construct, improve, or equip an eligible sports arena facility,
17 (c) the applicant has adopted a resolution authorizing the applicant to
18 pursue a general obligation bond issue to acquire, construct, improve, or
19 equip an eligible sports arena facility, ~~or~~ (d) a building permit has
20 been issued within the applicant's jurisdiction for an eligible sports
21 arena facility that is a privately owned concert venue, or (e) a building
22 permit has been issued or construction has been completed within the
23 applicant's jurisdiction for an eligible sports arena facility that is a
24 privately owned sports complex.

25 (2) Except as provided in subsections (3) and (4) of this section,
26 the ~~The~~ state assistance shall only be used by the applicant to pay back
27 amounts expended or borrowed through one or more issues of bonds to be
28 expended by the applicant to acquire, construct, improve, or equip the
29 publicly owned eligible sports arena facility and to acquire, construct,
30 improve, or equip publicly owned nearby parking facilities.

31 (3) For an eligible sports arena facility that is a privately owned

1 concert venue, the state assistance shall only be used by the applicant
2 (a) to pay back amounts expended or borrowed through one or more issues
3 of bonds to be expended by the applicant to acquire, construct, improve,
4 or equip a nearby parking facility or (b) to promote arts and cultural
5 events which are open to or made available to the general public.

6 (4) For an eligible sports arena facility that is a privately owned
7 sports complex, the state assistance shall only be used by the applicant
8 (a) to pay back amounts expended or borrowed through one or more issues
9 of bonds to be expended by the applicant to acquire, construct, improve,
10 or equip a privately owned sports complex, (b) to lease all or a portion
11 of such privately owned sports complex for the governmental purpose of
12 the political subdivision, or (c) to promote sporting events which are
13 open to or made available to the general public.

14 ~~(5) No (4) For applications for state assistance approved on or~~
15 ~~after October 1, 2016, (a) no more than fifty percent of the final cost~~
16 ~~of the project shall be funded by state assistance received pursuant to~~
17 ~~section 13-3108 and (b) no more than ten years of funding for promotion~~
18 of the arts and cultural events shall be paid by state assistance
19 received pursuant to section 13-3108. No more than ten years of funding
20 for promotion of sporting events shall be paid by state assistance
21 received pursuant to section 13-3108.

22 Sec. 3. Section 13-3104, Revised Statutes Supplement, 2023, is
23 amended to read:

24 13-3104 (1) All applications for state assistance under the Sports
25 Arena Facility Financing Assistance Act shall be in writing and shall
26 include a certified copy of the approving action of the governing body of
27 the applicant describing the proposed project for which state assistance
28 is requested and the anticipated financing.

29 (2) Except as provided in subsection (3) of this section, the
30 application shall contain:

31 (a) A description of the proposed financing of the project,

1 including the estimated principal and interest requirements for the bonds
2 proposed to be issued in connection with the project or the amounts
3 necessary to repay the original investment by the applicant in the
4 project;

5 (b) Documentation of local financial commitment to support the
6 project, including all public and private resources pledged or committed
7 to the project and including a copy of any operating agreement or lease
8 with substantial users of the eligible sports arena facility;

9 (c) For applications submitted on or after October 1, 2016, a map
10 identifying the program area, including any unbuildable property within
11 the program area or taken into account in adjusting the program area as
12 described in subdivision (16) ~~(16)(a)(ii)~~ of section 13-3102; and

13 (d) Any other project information deemed appropriate by the board.

14 (3) If the state assistance will be used to provide funding for
15 promotion of the arts and cultural events or for promotion of sporting
16 events, the application shall contain:

17 (a) A detailed description of the programs contemplated and how such
18 programs will be in furtherance of the applicant's public use or public
19 purpose if such funds are to be expended through one or more private
20 organizations; and

21 (b) Any other program information deemed appropriate by the board.

22 (4) Upon receiving an application for state assistance, the board
23 shall review the application and notify the applicant of any additional
24 information needed for a proper evaluation of the application.

25 (5) Any state assistance received pursuant to the act shall be used
26 only for public purposes.

27 Sec. 4. Section 13-3108, Revised Statutes Supplement, 2023, is
28 amended to read:

29 13-3108 (1) The Sports Arena Facility Support Fund is created. Any
30 money in the fund available for investment shall be invested by the state
31 investment officer pursuant to the Nebraska Capital Expansion Act and the

1 Nebraska State Funds Investment Act.

2 (2)(a) Upon receiving the certification described in subsection (3)
3 of section 13-3107, the State Treasurer shall transfer the amount
4 certified to the fund.

5 (b) Upon receiving the quarterly certification described in
6 subsection (4) of section 13-3107, the State Treasurer shall transfer the
7 amount certified to the fund.

8 (3)(a) It is the intent of the Legislature to appropriate from the
9 fund money to be distributed as provided in subsections (4) and (5) of
10 this section to any political subdivision for which an application for
11 state assistance under the Sports Arena Facility Financing Assistance Act
12 has been approved an amount not to exceed seventy percent of the (i)
13 state sales tax revenue collected by retailers doing business at eligible
14 sports arena facilities on sales at such facilities, (ii) state sales tax
15 revenue collected on primary and secondary box office sales of admissions
16 to such facilities, and (iii) new state sales tax revenue collected by
17 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04 to
18 the program area.

19 (b) The amount to be appropriated for distribution as state
20 assistance to a political subdivision under this subsection for any one
21 year after the tenth year shall not exceed the highest such amount
22 appropriated under subdivision (3)(a) of this section during any one year
23 of the first ten years of such appropriation. If seventy percent of the
24 state sales tax revenue as described in subdivision (3)(a) of this
25 section exceeds the amount to be appropriated under this subdivision,
26 such excess funds shall be transferred to the General Fund.

27 (4) The amount certified under subsection (3) of section 13-3107
28 shall be distributed as state assistance on or before April 15, 2014.

29 (5) Beginning in 2014, quarterly distributions and associated
30 transfers of state assistance shall be made. Such quarterly distributions
31 and transfers shall be based on the certifications provided under

1 subsection (4) of section 13-3107 and shall occur within fifteen days
2 after receipt of such certification.

3 (6) The total amount of state assistance approved for an eligible
4 sports arena facility shall not exceed one hundred million dollars.

5 (7)(a) State assistance to the political subdivision shall no longer
6 be available upon the retirement of the bonds issued to acquire,
7 construct, improve, or equip the facility or any subsequent bonds that
8 refunded the original issue or when state assistance reaches the amount
9 determined under subsection (6) of this section, whichever comes first.

10 (b) If the state assistance will be used to provide funding for
11 promotion of the arts and cultural events or for promotion of sporting
12 events, such state assistance to the political subdivision shall no
13 longer be available after ten years of funding or when state assistance
14 reaches the amount determined under subsection (6) of this section,
15 whichever comes first.

16 (8) State assistance shall not be used for an operating subsidy for
17 any publicly owned eligible sports arena facility or nearby parking
18 facility.

19 (9) The thirty percent of state sales tax revenue remaining after
20 the appropriation and transfer in subsection (3) of this section shall be
21 appropriated by the Legislature and transferred quarterly as follows:

22 (a) If the revenue relates to an eligible sports arena facility that
23 is a sports complex and that is approved for state assistance under
24 section 13-3106 on or after May 26, 2021, eighty-three percent of such
25 revenue shall be transferred to the Support the Arts Cash Fund and
26 seventeen percent of such revenue shall be transferred to the Convention
27 Center Support Fund; and

28 (b) If the revenue relates to any other eligible sports arena
29 facility, such revenue shall be transferred to the Civic and Community
30 Center Financing Fund.

31 (10) Except as provided in subsection (11) of this section for a

1 city of the primary class, any municipality that has applied for and
2 received a grant of assistance under the Civic and Community Center
3 Financing Act shall not receive state assistance under the Sports Arena
4 Facility Financing Assistance Act for the same project for which the
5 grant was awarded under the Civic and Community Center Financing Act.

6 (11) A city of the primary class shall not be eligible to receive a
7 grant of assistance from the Civic and Community Center Financing Act if
8 the city has applied for and received a grant of assistance under the
9 Sports Arena Facility Financing Assistance Act.

10 Sec. 5. Section 82-335, Revised Statutes Supplement, 2023, is
11 amended to read:

12 82-335 (1) The Nebraska Arts Council shall establish a competitive
13 grant program to award grants to cities of the first class, cities of the
14 second class, and villages as provided in this section. The grants shall
15 be awarded from funds transferred to the Support the Arts Cash Fund
16 pursuant to subdivision (9)(a) of section 13-3108.

17 (2) A city of the first class, city of the second class, or village
18 is eligible for a grant under this section if:

19 (a) The city or village has a creative district within its
20 boundaries that has a ten-year plan for integration of the arts intended
21 to catalyze economic and workforce development initiatives in such city
22 or village; and

23 (b) The city or village is not receiving state assistance under the
24 Sports Arena Facility Financing Assistance Act.

25 (3) Priority in grant funding shall go to any city of the first
26 class, city of the second class, or village described in subsection (2)
27 of this section whose project includes the partnership of a city or
28 village convention and visitors bureau or county convention and visitors
29 bureau.

30 (4) Grants under this section may fund capital assets, video
31 projection mapping, and intangible video or audio artistic expression

1 presentations, planning expenses, architectural expenses, engineering
2 expenses, live performances, and promotional or marketing efforts of the
3 creative district. Grants shall not fund ongoing operational and
4 personnel expenses of a political subdivision or nonprofit corporation,
5 ~~live performances, promotional or marketing efforts of the creative~~
6 ~~district,~~ legal expenses, or lobbying expenses, ~~planning expenses,~~
7 ~~architectural expenses, or engineering expenses.~~

8 (5) Any assets acquired using grant funds shall be owned by the city
9 of the first class, city of the second class, or village receiving such
10 grant.

11 (6) Any grant awarded under this section shall be in an amount
12 determined by the Nebraska Arts Council, which shall not be less than one
13 hundred thousand dollars.

14 (7) For purposes of this section, creative district means a creative
15 district established pursuant to subdivision (5) of section 82-312.

16 Sec. 6. Original sections 13-3102, 13-3103, 13-3104, 13-3108, and
17 82-335, Revised Statutes Supplement, 2023, are repealed.